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Mayor Of Nablus Is Killed

Gunman Shoots Israeli Appointee On West Bank

By William Claiborne
Washington Post Service
NABLUS, Israeli-occupied West Bank. Zafir al-Masri, the Israeli-appointed mayor of Nablus, was assassinated by a gunman Sunday in front of his office.



Protection From Mourners in South Africa
The Reverend Allan Boesak, right, protecting a suspected police informer, Madiavu Mathuka, from a crowd at the funeral of three black South Africans. Mr. Mathuka was attacked after he was denounced by another minister during the service. Page 6.

Police Believe Assassin Tracked Palme Before Attack in Stockholm

By Karen DeYoung
Washington Post Service

STOCKHOLM — Police said Sunday that Prime Minister Olof Palme was assassinated Friday night in a carefully planned attack, perhaps carried out by a professional gunman using a high-powered revolver firing a copper-sheathed bullet of a kind police here said they had never seen before.



Olof Palme

know if the killer was "Swedish or foreign." He described the broad investigation thus far as "the typical situation in the moment when you start a big murder case. You have to be both patient and impatient."

ON PAGE 5

- A Swedish official said he is concerned about the potential for a backlash against immigrants.
- World leaders express their sorrow over the death of a leader in the cause of peace.
- Born to wealth, Olof Palme chose to spend his career serving the disadvantaged.

Neither the killer nor either of the Palmes spoke before the shots were fired from a short distance, police said. The assailant fled up the walkway, which ends in several flights of stairs leading to a number of small streets.

Brazil Gets Reduction in Debt Payments

Compiled by Our Staff From Dispatches
NEW YORK — Brazil and its leading creditor banks have agreed on a loan-rescheduling package that includes a substantial reduction in interest rates on part of its \$103-billion debt, Citibank said Sunday.

Protection From Mourners in South Africa

The Reverend Allan Boesak, right, protecting a suspected police informer, Madiavu Mathuka, from a crowd at the funeral of three black South Africans. Mr. Mathuka was attacked after he was denounced by another minister during the service. Page 6.

U.S. Senators Seek Inquiry On Defector

By Joel Brinkley and Clyde H. Farnsworth
New York Times Service

WASHINGTON — Four months after a Soviet seaman jumped into the Mississippi River and said he wanted to defect, only to be sent home after apparently changing his mind, 69 senators want to reopen the case amid allegations that Soviet officials switched seamen.



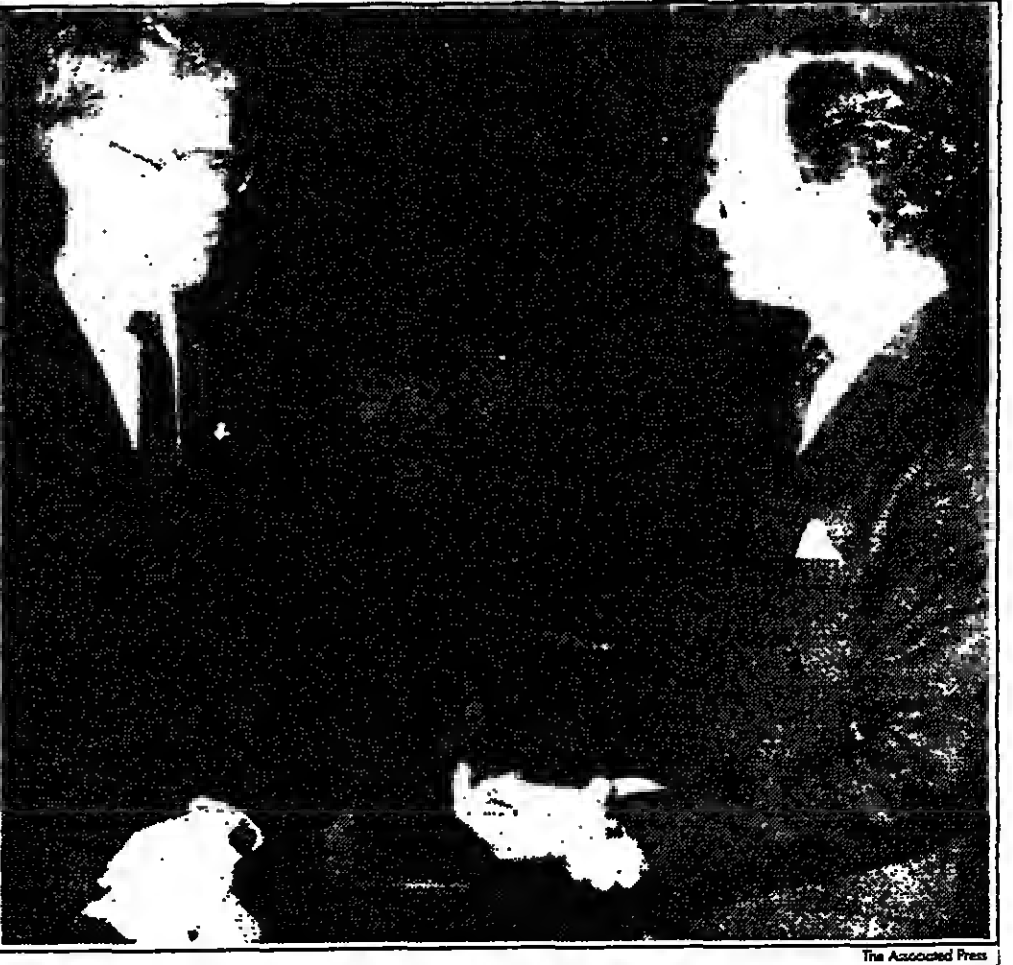
Miroslav Medved in a photograph released by the U.S. Immigration Service.

Members of Congress and others are saying that the man who jumped overboard near New York on Oct. 24 may not have been the man who later told U.S. officials he wanted to return to the Soviet Union.

Aquino Is Breaking Up Marcos Political Machine

Compiled by Our Staff From Dispatches

MANILA — President Corason C. Aquino, buoyed by another big show of public support, started Sunday to dismantle some of the Marcos government's machinery of political control.



King Carl XVI Gustaf, right, met Sunday with the acting prime minister, Ingvar Carlsson.

Palme Aide Nominated As Successor

The Associated Press

STOCKHOLM — Ingvar Carlsson, Sweden's deputy prime minister, was nominated unanimously Saturday by the Social Democratic Party to succeed Olof Palme as party chairman and prime minister.

The U.S. on Marcos: A Lesson for Despots?

By Leslie H. Gelb
New York Times Service

WASHINGTON — President Ronald Reagan's decision that the time had come for President Ferdinand E. Marcos of the Philippines to resign sent shock waves around the world last week.

This has rarely happened in countries governed by one man or a junta — not previously in Chile, not in Iran at the time of Shah Mohammed Reza Pahlavi or, until recently, the Philippines.

administration essentially was reacting to events there — albeit always in the direction of trying to push Mr. Marcos into planning a peaceful transition to someone else.

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SPORTS

- Seven baseball players, accused of drug use, face the sternest major league discipline since the 1919 Black Sox scandal. Page 15.

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Unlike Mr. Palme, whose forceful personality often gave him the image of being strongly leftist, Mr. Carlsson is seen by colleagues as a middle-of-the-road Social Democrat.

He is not nearly so well known outside Sweden as Mr. Palme was, having concentrated most of his efforts on domestic issues.

Mr. Palme gave Mr. Carlsson the job of organizing and heading a new agency, the Ministry of the Future, and for the last three years he has been studying economic and industrial developments in other countries to determine how the government can guide Sweden in the years ahead.

Since October, he has also headed the Ministry of the Environment, which centralized responsibilities that had been scattered among other agencies.

Born Nov. 9, 1934, Ingvar Carlsson grew up in the textile manufacturing town of Boras in western Sweden, where his father worked in a textile mill. He worked briefly in the mills and then went to the University of Lund, where he received his degree in political science and economics.

In 1958, after graduation, he was chosen to be the cabinet assistant of Tage Erlander, Mr. Palme's predecessor as prime minister.

Mr. Carlsson later took a year's sabbatical at Northwestern University.

(Continued on Page 5, Col. 1)

Gorbachev Tells Name-Dropper to Stop Saying 'Gorbachev'

By Serge Schmemmann
New York Times Service

MOSCOW — Compared with the adulation bestowed on Leonid I. Brezhnev at the last Communist Party congress in 1981, the name of Mikhail S. Gorbachev is being mentioned as little as possible at the current convention.

All through the week, evidently under instruction, speakers have been chary of mentioning the present Soviet leader, simply referring to his keynote speech.

But Lev A. Kulidzhanov, the film director who heads the Motion Picture Workers' Union, apparently found it difficult to break old habits.

"I won't repeat what has been said here about the political report that Mikhail Sergeevich Gorbachev made," Mr. Kulidzhanov began. "I wholeheartedly agree with his profound analysis. When Mikhail Sergeevich finished and stepped from the podium, I felt involuntary regret, if I may say so, that he had finished."

"Thank you, Mikhail Sergeevich, for your brilliant lesson," Mr. Kulidzhanov continued, turning toward the Soviet leader sitting behind him.

Mr. Gorbachev leaned forward and admonished Mr. Kulidzhanov. "Let's stop declining Mikhail Sergeevich," Mr. Gorbachev said, as the audience broke into applause and laughter. Mr. Kulidzhanov, picking up the reprimand, rephrased his last comment with new

meaning by saying, "This is a lesson we must all learn."

The exchange was singled out for broadcast on the evening television news, underscoring the policy of avoiding yet another personality cult.

Boris N. Yeltsin, the Moscow city chief, had inveighed against the cult of the past that had made it mandatory, he said, to treat the Soviet leader like a "miracle worker."

"We must make modesty the cult in our work and behavior, and to block the very beginnings of a 'leadership syndrome,'" he said.

The trend has been evident since Mr. Gorbachev took office a year ago. He reportedly ordered editors to reduce the use of his name, and his portrait has not appeared on the streets.

Although a shake-up of personnel occurred before the party congress, there is still a great deal of talk about further changes after the convention.

Some of the rumors center on Anatoli F. Dobrynin, the ambassador to the United States for the last 24 years. U.S. diplomats reported whispers that he might become foreign minister, with Eduard A. Shevardnadze joining the party secretaryship under Mr. Gorbachev. U.S. Embassy sources said they had heard that Viktor G. Komolov, 53, head of the United States Department at the Foreign Ministry, would succeed Mr. Dobrynin in Washington.

Other rumors have it that Viktor G. Afanasyev, chief editor of

Pravda since 1976, might be replaced, and that Pyotr N. Demichev, minister of culture since 1974, might become the first vice president under President Andrei A. Gromyko. The present first vice president, Vasili V. Kuznetsov, is 85.

Congress Approves Report

The congress has approved the report by Mr. Gorbachev and endorsed new party rules and a revised party program. United Press International reported from Moscow on Sunday.

On Monday, the 5,000 delegates were scheduled to begin debating the next five-year plan and economic guidelines until the end of the century, Moscow Radio said.

"This is one of the key documents submitted to the supreme party forum," the radio said. It calls for doubling the gross national product over the next 15 years.

Mr. Gorbachev, who celebrated his 55th birthday Sunday, will also use the second half of the congress to appoint his own team to top party ranks.

The congress will elect new members to the Central Committee, and at least half of the approximately 300 positions were expected to be filled by Gorbachev nominees.

On Saturday, the congress unanimously approved the political report delivered by Mr. Gorbachev in the opening session. With a show of hands, they also endorsed the new party rules and the revised party program.



Mikhail S. Gorbachev, left, spoke with Poland's leader, General Wojciech Jaruzelski, and other guests at the Soviet Communist Party congress that opened in Moscow last week.

WORLD BRIEFS

Israelis Kill 2 Palestinian Guerrillas

TEL AVIV (Reuters) — Israeli troops have foiled an attempt by Palestinian guerrillas to infiltrate from Lebanon and killed two members of the guerrilla squad, the military command said.

It said the guerrillas belonged to the Democratic Front for the Liberation of Palestine. The command did not say how many guerrillas were involved in the action, which took place Saturday.

The Israeli command said that in addition to their personal weapons the guerrillas carried food, a map and a leaflet that indicated the intended to attack a settlement in the Galilee region.

Israel Court Hears War Crime Charge

JERUSALEM (NYT) — John Demjanjuk, extradited from the United States on Friday to be tried for war crimes, told an Israeli court Sunday that he had never been at the Treblinka death camp nor collaborated with the Nazis.

Mr. Demjanjuk, 65, a retired auto worker from Cleveland, was formally accused in a magistrate's court of participation in "the murder of hundreds of thousands of civilians, men, women and children" at a German extermination camp in Poland in 1942 and 1943.

Israeli law prescribes a maximum penalty of death by hanging for war crimes, but Judge Aharon Simcha told Mr. Demjanjuk that it was not mandatory. In a statement in court, Mr. Demjanjuk said that he was a Ukrainian who emigrated to the United States in 1952, said: "I'm completely the wrong person. I was never in that place what everybody tells me Treblinka, or a Nazi collaborator. I was myself in prison camp."

Limit Proposed on U.S. Income Aid

WASHINGTON (NYT) — Reagan administration officials have been developing a proposal that would, for the first time, limit the total value of assistance that low-income people could receive from all U.S. benefit programs. The limit would be set at roughly the official poverty level, or \$10,990 for a family of four, administration officials said.

The proposal, which would need congressional approval, is being prepared for President Ronald Reagan's Domestic Policy Council. The council, composed of eight cabinet officers, is conducting a comprehensive review of public assistance and social welfare programs. Mr. Reagan announced the study last month, saying he wanted to find new ways to help poor people "escape the spider's web of dependency" on government programs.

In a confidential report to the Domestic Policy Council, Charles J. Hobbs, deputy assistant to the president for policy development, said: "The current national welfare system, although aimed at assisting poor people who cannot meet their own needs, provides unneeded benefits to many people who are not poor, reduces incentives for work and self-reliance and discourages strong family and community ties."

Bonn Review Testimony by Brandt

BONN (Reuters) — The Bonn public prosecutor's office said Sunday that it was examining allegations that Willy Brandt, the former West German chancellor and the chairman of the opposition Social Democratic Party, had given false testimony to a parliamentary panel investigating corruption.

A spokesman for the prosecutor's office confirmed a report in the conservative newspaper Westmünster that the office had received three complaints against Mr. Brandt. He would not comment further.

Westmünster said the complaints related to testimony in November 1984, when Mr. Brandt told a panel reviewing funding by the Fiat industrial concern that he had no knowledge of payments to his party. The Social Democratic Party rejected the allegations against Mr. Brandt as a "cheap tit-for-tat stunt" by political opponents.

Bangladesh's Leader Plans Elections

DHAKA, Bangladesh (AP) — The president, Lieutenant General Hussain Mohammed Ershad, announced Sunday that parliamentary elections would be held during the last week of April to end four years of martial law.

General Ershad said in an address over radio and television that the election commission would announce a firm date later. This will be General Ershad's fourth attempt to hold elections since coming to power. They were put off three times because the opposition parties refused to participate in elections under martial law.

The general said the elections are to be held under martial law. But he said that ministers seeking nomination would resign and the offices of the five zonal martial-law administrators and military courts would be closed from the date nomination papers are filed, if the opposition parties agreed to take part.

France Puts Radar in Northern Chad

PARIS (Reuters) — France has deployed a radar system, guarded by its troops, in northern Chad for the first time since fresh fighting broke out there, officials said Sunday.

A Defense Ministry spokesman said that radar equipment had been deployed on Saturday in Moussourou, about 120 miles (200 kilometers) northwest of Chad's capital of N'djamena.

He said the radar was aimed at providing better protection for N'djamena Airport, which was bombed on Feb. 17 by a lone high-flying Soviet-built Tu-22 bomber.

For the Record

A New Orleans city councilman, Sidney Bartholomew, easily outpolled a state senator, William Jefferson, to win election Saturday as the city's mayor after a bitter campaign to succeed the first black mayor, Ernest I. Morial. Mr. Bartholomew also is black. (AP)

Jean Chrétien, 52, a Liberal Party member of the Canadian Parliament for nearly 23 years and rival of John Turner, the party leader, resigned his seat Thursday, saying only that "enough is enough." Asked if he would return to politics, he said: "I hope it will be never." (NYT)

Correction

Roman Cruz, former president of Philippine Airlines, was erroneously reported Wednesday in an Agence France-Press dispatch to have left Manila for Hong Kong. Mr. Cruz has remained in the Philippines.

DOONESBURY



Europe Urged to Set Up Its Own Missile Defenses

By Michael R. Gordon
New York Times Service

MUNICH — Manfred Wörner, the West German defense minister, has urged West European governments to develop an anti-missile system independent of the U.S. space-based defense program.

Mr. Wörner said Saturday at a meeting of national security experts that a separate West European program was imperative because of potential Soviet advances in short-range missiles.

His remarks came at a time when West Europeans seem to be expressing less skepticism about U.S. missile defense plans.

William S. Cohen, a Maine Republican who is a member of the Senate Armed Services Committee, said in the conference that West European doubts "have not disappeared, though they are less intense."

But he said the Europeans should be prepared to slow the pace of any anti-missile research to achieve an agreement limiting medium-range missiles. He noted that the United States might be forced to cut back its spending on the missile defense program because of budgetary constraints.

Horst Ehmke, a West German Social Democrat, questioned the cost and feasibility of Mr. Wörner's proposal.

The proposal, offered in the first session of the annual Wehrkunde Conference, a national security seminar, reflects concern over short-range Soviet missiles — the SS-21, with a range of 75 miles (120 kilometers); the SS-22, with a range of 550 miles; and the SS-23, with a range of 300 miles.

West Germany has been assured by the United States that any agreement on medium-range missiles would include limits on such short-range systems, U.S. officials say.

Western officials familiar with the arms negotiations in Geneva said the Soviet Union had agreed in principle on limitation of short-

range missiles, but wanted to work out the details only after an accord on medium-range missiles.

Mr. Wörner said the Soviet Union eventually would improve the accuracy of its short-range missiles and arm them with conventional warheads, posing a threat to North Atlantic Treaty Organization bases.

As a result, he contended, a West European anti-missile system "must be demanded quite independently" of the U.S. program.

Mr. Wörner questioned the idea of eliminating all nuclear weapons, as envisioned in proposals by Mikhail S. Gorbachev, the Soviet leader, and by President Ronald Reagan. Mr. Wörner said that "even if it were possible to ban all nuclear weapons from the Earth, the knowledge and the ability to produce such weapons would persist."

Mr. Reagan's espousal of the idea of a nonnuclear world has worried some West Europeans, who see nuclear weapons as a way to deter a conventional conflict.

Several expressed the view that some U.S. missiles should remain as a symbol of a U.S. commitment to the defense of Western Europe, although the predominant view seemed to be that the elimination of medium-range missiles could not be renounced as an objective because of public opinion.

NATO Strength Urged

A high-ranking U.S. Defense Department official said Sunday that NATO members should strive to preserve their economic and technological superiority over the Soviet bloc. The Associated Press reported from Munich.

"The stronger the Soviet economy relative to ours, the easier it will become for the Soviet leaders to overtake us militarily," said Fred C. Ikle, assistant U.S. secretary of defense for policy.

He added: "I disagree therefore with the view sometimes expressed by European officials that we should help the East to modernize



Manfred Wörner

its economy and that our help toward improving the economic development of the Soviet bloc contributes to European stability. Such help will do the opposite."

Soviet Missile Promise

The Soviet Union has promised to withdraw new short-range nuclear missiles from Czechoslovakia and East Germany if the United States agrees to scrap its European-based rockets under an East-West arms control agreement, Reuters reported Sunday from Moscow.

In a speech to the Communist Party congress made public Sunday, Foreign Minister Eduard A. Shevardnadze inserted a sentence apparently aimed at soothing concern about the missiles in Western Europe.

"If American medium-range rockets in Western Europe are completely liquidated," he said, "there will be no further necessity for the stationing of Soviet operative-tactical weapons in those places where they have been deployed."

West European governments, especially the West Germans, have voiced concern that the new rockets might be overlooked in an arms control accord.

The SS-23s based in East Germany and Czechoslovakia can reach targets in West Germany, Britain and France.

Swedes Ban Technology Re-exports

By Juris Kaza
International Herald Tribune

STOCKHOLM — Sweden has adopted regulations banning the re-export of sensitive foreign-made goods, becoming the last neutral European nation to prevent violations of Western embargoes on high-technology sale to Communist nations.

The regulations were introduced Thursday. They follow highly publicized technology smuggling incidents in the late 1970s and in 1983. Sweden's Social Democrat government announced that the regulation on technology exports will take effect on June 1. Austria and Switzerland already have adopted laws aimed at curbing the re-export of U.S. technology.

The Swedish regulations cover the re-export of finished products and do not apply to the export of goods manufactured in Sweden, although they do include such goods that contain embargoed components. The action comes after what Swedish officials said was an apparent increase in attempts to use Sweden as a transit point for technology smuggling.

The use of a regulatory decree, rather than an act of the parliament, the Riksdag, underscored the sensitivity of the issue for Sweden, which has been seeking improved relations with the Soviet Union.

It reflects a compromise between Sweden's unwillingness to appear to fall in line with the U.S. embargo against the Soviet Union and its Communist allies, and the dependence of Swedish industry on U.S. high technology.

The Soviet Union has attacked earlier hints in the Swedish media that the nation could tighten export controls.

Foreign Trade Minister Mats Hellström said that the new regulations were aimed at keeping "unhealthy traffic" in high technology out of Sweden.

U.S. Honors 12 Naturalized Citizens For Contributions to American Life

NEW YORK — Twelve naturalized citizens who have made substantial contributions to American life have been named the first winners of the Medal of Liberty as part of the Statue of Liberty centennial celebration.

The announcement was made Saturday by Chrysler Corp.'s chairman, Lee A. Iacocca, head of the Statue of Liberty-Ellis Island Foundation Inc. The awards are to be made by President Ronald Reagan on July 3, the opening of Liberty Weekend.

The recipients are Bob Hope, the comedian, who came from England in 1907; the former secretary of state, Henry A. Kissinger, who was born in Germany; Irving Berlin, the composer, a native of Russia; Franklin R. Chang-Diaz, a U.S. astronaut originally from Costa Rica; Kenneth Clark, a psychologist from Jamaica and Hammah Holborn Gray, president of the University of Chicago, who is from Germany.

Also, I.M. Pei, the architect, who is from China; Itzhak Perlman, the violinist, from Israel; James B. Reston, the journalist, from Scotland; Dr. Albert B. Sabin, inventor of the oral polio vaccine, from Russia; An Wang, founder of Wang Labs Inc., from China, and Elie Wiesel, the author, from Romania.

U.S. Says Managua Plans To 'Finish Off' Rebels

By Jack Nelson
Los Angeles Times Service

WASHINGTON — President Ronald Reagan, adding a note of urgency to his appeal for \$100 million in aid to the Nicaraguan rebels, has warned that Managua is planning a major offensive to "finish off" the rebel forces.

Because of these plans and "more evidence than ever" of Soviet, Cuban, Libyan and Palestine Liberation Organization involvement in Nicaragua, Mr. Reagan said Friday, the United States must provide immediate aid to the guerrillas or see them overwhelmed.

The leftist Sandinista government then would threaten destabilization of neighboring governments in Central America, Mr. Reagan asserted.

Meeting with a small group of journalists at the White House, Mr. Reagan and two senior administration officials emphasized their determination to pull out all stops in pushing for the aid package, which includes \$70 million in military aid

and another \$30 million in humanitarian aid.

[Mr. Reagan is expected to deliver a television address soon to urge approval of the aid, White House officials told The Washington Post on Saturday. He is also expected to meet Monday with leaders of the Nicaraguan rebels.]

"If we don't help the freedom fighters now," Mr. Reagan said, "a communist Nicaragua will over the next few years attempt to destabilize its neighbors in Central America, cause untold violence and pain for the people there and create what communism always creates—a huge refugee machine."

At the same time that Nicaragua, Cuba and the Soviet Union "have decided to make a big push now and finish off the democratic resistance," he said, the rebels, known as contras, "have never been stronger," with more men in the field and more support than ever from the people.

Pressed to explain why the rebels have not been more successful if they are stronger and have more support than ever, Mr. Reagan said he had meant that Nicaraguans were rallying to their side in increasing numbers.

Aid Linked to Election

The chairman of the Senate Foreign Relations Committee said Friday that the United States should threaten economic and military aid to the United States.

For now, Honduras is maintaining the freeze it imposed last October on air-transported aid shipments to the rebels.

"Those rebels should be in Nicaragua territory, fighting the Sandinistas," Carlos Montoya, the president of the Honduran parliament, said last week in the first public admission that anti-Sandinista forces were based in Honduras.

The unsees shown by the recently elected government of President José Azcona Hoyo about the rebels stems partly from its desire to move Honduras to a more independent stance.

The Honduran military, whose good will and support has been vital to the U.S. aid program since the U.S. Central Intelligence Agency began training rebels in 1981, also has begun to doubt the ability of the rebels to make any important military advances in Nicaragua.

Diplomats say that the new Guatemalan president, Marco Vinicio Cerezo, has also diminished support for the Nicaraguan rebels by throwing his weight behind a political solution and refusing to condone the guerrillas.

"The United States should not be in such a hurry to correct a problem that they themselves helped to create by supporting a dictatorship for more than 40 years," Mr. Cerezo said in a recent interview, referring to the former Nicaraguan leader, General Anastasio Somoza, deposed by the Sandinistas in a 1979 revolution.

Central America Questioning U.S. Support for Managua Rebels

By Anne-Marie O'Connor
Reuters

MEXICO CITY — Official criticism of U.S.-backed Nicaraguan rebels has reached unprecedented levels in Central America, where even the staunchest U.S. allies are questioning the wisdom of continued support for the "contras."

The election of three Central American leaders who are expected to take a more independent line from Washington, coupled with renewed support for the Contadora peace effort, has led to an increas-

ingly open debate over whether President Ronald Reagan's "freedom fighters" are a good investment.

"There's a growing feeling in Central America that the contras

NEWS ANALYSIS

are a mistake," said one senior Western diplomat based in the region. "There is a perception that the U.S. strategy is very much contra-oriented and this is not compatible to a negotiated solution."

"The United States says the contras are there to pressure the Sandinistas to negotiate," the diplomat said. "But most Central Americans believe that the contras could lead to further U.S. involvement in Central America, which they don't see as having any positive results."

Mr. Reagan asked the U.S. Congress last week to approve \$100 million in aid for the rebels, saying more pressure must be put on the Sandinista government, which he accuses of spreading revolution throughout the region.

In Costa Rica and Honduras, rebel-related border incidents have caused concern that the guerrillas are exacting a high cost in international prestige and domestic security.

Costa Rica has ignored for years the rebel camps along its border with Nicaragua. However, reports that Costa Rican national guardsmen were collaborating with the guerrillas, coupled with the failure of President Luis Alberto Monge to crack down on rebel activity, has tarnished Costa Rica's official posture of neutrality.

The election in February of Mr. Monge's successor, Oscar Arias

Sanchez, brought a shift in Costa Rican policy. Mr. Arias will be inaugurated May 8.

At present, Costa Rica asked the nations of the Contadora group — Mexico, Panama, Colombia and Venezuela — to establish an international force to police the border with Nicaragua, and Mr. Arias has made no secret of his disapproval of Mr. Reagan's request for additional funding for the rebels.

"If I were President Reagan," he said in a U.S. television interview, "I would give those funds to Guatemala, El Salvador, Costa Rica and Honduras in economic aid, instead of military aid to the contras."

In Honduras, the growing military and government criticism of the presence of the 12,000-strong

U.S. Groups Urge Ban On Arthritis Medication

Los Angeles Times Service

WASHINGTON — The National Council of Senior Citizens, a lobbying group for the elderly, has called Feldene, the most widely prescribed arthritis medication in the United States, "a potentially dangerous drug" and urged the government to ban it. Public Citizens, a consumer group, has argued that the drug could be used safely only by patients under the age of 60.

The National Alliance of Senior Citizens called the complaints "ill-advised and meretricious." Pfizer Inc., the drug's manufacturer, said that "Feldene is not an imminent hazard" to older patients or to any patient group. Feldene is marketed in 106 countries.

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AMERICAN TOPICS

Exotic New Crops Brighten Farm Scene

Joboba, a desert shrub unknown to commercial agriculture 20 years ago, is being planted across arid stretches of southern California and Arizona.

out the Texas flag captured when the Alamo fortress was taken by the Mexicans 150 years ago March 6, according to U.S. diplomats and businessmen trying to get it back, at least on loan.

Notes About People

The job of U.S. attorney general often has been a stepping stone to the Supreme Court, but the incumbent, Edwin Meese III, a close associate of President Ronald Reagan, said last week, "I have never had any intention or interest in being a judge."

Senator Joseph R. Biden Jr., frequently mentioned as a possible candidate for president in 1988, was asked during a visit to an elementary school 10 years ago if he wanted to be president, according to a profile in the National Journal.



Joseph R. Biden Jr.

Short Takes

As of this month U.S. military personnel convicted of espionage during peacetime can be sentenced to death, under a directive authorized by Congress last summer and signed last month by President Ronald Reagan.

A major problem in transferring theatrical films to video cassettes is that theater screens are proportionally wider than television screens, so in the transfer, the image must be trimmed on the sides.

ago if he wanted to be president, according to a profile in the National Journal. The senator, a Delaware Democrat, gave the standard politician's answer: No, he liked his job and didn't want to be president.

Senator Charles McC. Mathias Jr. has been awarded the first Milton S. Eisenhower Distinguished Professorship in Public Policy at the Johns Hopkins School for Advanced International Studies.

—Compiled by ARTHUR HIGBEE

NASA Image Crumbles as Commission Probes Shuttle Tragedy

By Kathy Sawyer Washington Post Service

WASHINGTON — Once or twice in hearings by the presidential commission investigating the explosion of the space shuttle Challenger, testimony from NASA witnesses moved Sally K. Ride and Neil Armstrong to lean back in their chairs on either side of the panel chairman, William P. Rogers, and look across at each other with their eyebrows raised.



William P. Rogers

The first human being to step on the moon and the first American woman in space, like the American public, had held certain favorable assumptions about the methods behind two decades of space miracles.

But by the end of three days of hearings last week, those assumptions appeared to have crumbled, and NASA employees were braced for what one called "a major reorganization" under a new leader.

Sources said a former agency head, James C. Fletcher, was the front-runner for the post of administrator and was interviewed last

week by the White House chief of staff, Donald T. Regan. Longtime supporters of the National Aeronautics and Space Administration, on Capitol Hill and elsewhere, expressed shock and incredulity as the three days of hearings exposed, layer by layer, what Mr. Rogers called the "flawed"

process that led up to the final, fatal launch decision on the morning of Jan. 28.

The Watergate-like televised spectacle produced by the commission featured an increasingly indignant Mr. Rogers, a former assistant district attorney and attorney general as well as a former secretary of state, who emerged with unexpected force, repeatedly asking officials where they had left their "common sense."

The hearings were a study in contrasts between image and reality. Instead of the crisp "Go" or "No-Go" safety-first image NASA has long sustained, the hearings revealed decision-makers who spoke in muddy "rationales" that, as they traveled up or down the chain of command, were transformed as if in an old-fashioned parlor game of "gossip."

Thus, a statement the morning of the launch by Rocco A. Petrone, president of the shuttle division of Rockwell International Corp. and a top NASA manager during the

Apollo moon shot days, that "we cannot recommend launching," passed through subordinates and came out, "Rockwell could not assure the safety of flight."

NASA officials said they took this to be "a concern," not a recommendation against launch.

Such discussions led repeatedly to mistaken or, some suggested, expedient misinterpretation on possible life-and-death matters.

"This illustrates one of the things that obviously has to be corrected," Mr. Rogers said. "There are a lot of maybes. A lot of people have been voting 'Maybe' or 'I don't vote.' It would seem to me this decision-making process should require people to take stands and you should have a record on it."

Although NASA has prided itself on an open style of management, the commission repeatedly caught NASA officials, as well as top managers at Morton Thiokol Inc., one of its contractors, in a syndrome that became familiar to Americans through the Pentagon

Papers revelations about the military bureaucracy during the Vietnam War: Mid-level personnel did not tell higher-ups bad news.

The NASA "can-do" tradition of unflappability was personified in the solid-rocket booster project manager, Lawrence B. Mulloy, and a rocket engineer, George B. Hardy, mid-level managers at Marshall Space Flight Center in Huntsville, Alabama. Questioned for several hours on Wednesday morning, they appeared cool and confident.

They have steadfastly denied that they pressured the solid-rocket booster's contractor, Morton Thiokol, to change its initial recommendation against a launch that day, and that they had reversed NASA's traditional approach that demands proof that it is safe to fly, rather than proof that it is not.

In court, Thiokol managers seemed shaken during their appearances. Robert Lund, the chief engineer for the company, was the target of some of Mr. Rogers's most withering remarks.

Mr. Lund first supported his engineers when they recommended against launch on the night before liftoff. But he folded under what he considered pressure from Mr. Mulloy, and finally from his own boss, a Thiokol vice president, Joe C. Kilminster, who asked him to "take off your engineering hat and put on your management hat."

To the end, he switched sides, joining Mr. Kilminster in overruling his own engineers and recommending a "Go."

"Mr. Lund, how do you explain the fact that you seemed to change your mind when you changed your hat?" Mr. Rogers asked.

Ms. Ride zeroed in on NASA officials' apparent departure from "the book," asking repeatedly how officials could debate the engineers' warnings about the effects of cold weather on the seals when NASA's rules, she thought, clearly labeled the rocket booster seal a "criticality 1." That means there is no backup system and if the item fails, the crew, vehicle and mission are lost.

Pentagon Practices Are Assailed In a Report Prepared for Reagan

By James Gerstenzang Los Angeles Times Service

WASHINGTON — A presidential commission has presented a sharply critical report on the state of the defense establishment and recommended streamlined operations, less regulation and "major institutional change" in the Pentagon's purchasing procedures.

President Ronald Reagan, receiving the interim report of his Commission on Defense Management, promised Friday to implement the recommendations as quickly as possible, "even if they run counter to the will of the entrenched bureaucracies and special interests."

The report comes as Mr. Reagan and Congress are tangled in a legislative battle over the president's \$311.6-billion defense budget for fiscal 1987, which is jeopardized by the Gramm-Rudman-Hollings deficit-reduction law. A White House official said Friday that the defense budget was in "deep trouble," despite Mr. Reagan's nationally televised plea for support last week. The Washington Post reported.

The panel, headed by David Packard, a former deputy secretary of defense, was appointed by Mr. Reagan last June after unfavorable publicity over such Pentagon procurement "horror stories" as a \$7,622 coffee pot and a \$640 toilet-seat cover for military aircraft.

The commission, however, expanded its investigation well beyond problems in the acquisition system. It recommended giving the chairman of the Joint Chiefs of Staff greater authority, creating a post of vice chairman of the Joint Chiefs, creating a post of undersecretary of defense for acquisition, drawing up two-year rather than one-year defense budgets, improving the precision of long-range planning and aggressively enforcing civil and criminal laws prohibiting fraud in defense procurement.

The report offered an outline of the ills that plagued the military. However, Mr. Packard, in a letter to Mr. Reagan, praised "the substantial progress made in the last five years to improve the nation's defense."

"The morale and fighting ability of our armed forces are higher than at any time in recent memory," he wrote. He singled out for praise the

efforts of Caspar W. Weinberger, defense secretary since Mr. Reagan took office in 1981.

The report called for improved decision-making in the administration and Congress, better organization of combat forces, strengthened and streamlined procurement procedures and "a more honest, productive partnership" between the Pentagon and the defense industry.

The report echoed some of the findings of previous studies, many of which have been either ignored or actively opposed by the Pentagon or some members of Congress. But a department spokesman said that Mr. Weinberger had "no quarrel" with the report, although he did not support every "jot and tittle."

Sam Nunn of Georgia, the top-ranking Democrat on the Senate Armed Services Committee, described the report as "a bold and sweeping and innovative series of proposals that will enhance very substantially our national security, if they are implemented."

"The Packard commission perhaps started out talking about toilet seats, but they ended up proposing to restructure the whole house," Mr. Nunn said. "I think it is a very strong step in the right direction."

At a news conference, Mr. Packard, a founder and chairman of Hewlett-Packard Co., an electronics concern, said: "In the horror stories about spare-parts costs and contractor cheating, you are talking about tens of millions of dollars. But better long-term planning and acquisition is a thousand times more important and could save tens of billions of dollars."

The report complained that Congress and the executive branch lacked a "rational system" for

reaching agreement on military strategy and budget policy. It criticized the "duplicative effort by numerous congressional committees and subcommittees."

The commission recommended that the president prepare provisional five-year budgets tied more closely than current five-year defense plans to economic realities. It said Congress should appropriate Pentagon funds on a two-year basis, rather than annually, to allow more efficient long-range planning.

At present, the chairman of the Joint Chiefs of Staff must offer the consensus view of the heads of all the military services when he advises the president. The commission would make the chairman the principal military adviser, who could present his own views to the president, regardless of those of the other service chiefs.

Arguing for the creation of an undersecretary of defense for acquisition, the report noted that there was no single senior official at the Pentagon "working full-time to provide overall supervision" of military procurement.

Weapons requirements and specifications have been overstated, leading to "goldplating" that "has become deeply embedded in our system," the report said.

"With notable exceptions, weapons systems take too long and cost too much to produce," the report said. "Too often, they do not perform as promised or expected."

U.S. Orders Extradition Of Mexico City Official

Los Angeles Times Service

LOS ANGELES — The former Mexico City police chief, Arturo Durazo Moreno, lost an appeal Friday and was ordered extradited to Mexico to stand trial on charges involving extortion and illegal weapons.

The ruling, in U.S. District Court, upheld an order by a U.S. magistrate last August.

Russians May Have Switched Seaman Who Wanted to Flee

(Continued from Page 1)

flippant, belligerent and arrogant, and he repeatedly remarked that the Soviet system was superior.

Finally, there are Lieutenant Geltz's pictures, taken Oct. 29, the only known photographs of the man interviewed by the State Department. When the lieutenant showed his pictures to a man who had seen the seaman the day the incident began, both became convinced that the Russians had pulled a switch.

The Federal Bureau of Investigation compared the photos with one taken of the seaman who jumped ship, a Senate aide said, and found

that no firm conclusions could be drawn.

Still, nagging questions have led more than half the Senate to co-sponsor a resolution calling for a new inquiry. If the resolution is approved, the Senate would set up an investigative panel.

A key part of the controversy is Lieutenant Geltz. He was the public affairs officer at the Naval Support Facility in Algiers, Louisiana, where the seaman who was removed from the freighter on Oct. 28 underwent interviews and examinations by U.S. officials.

In the days that followed, Lieutenant Geltz, a 10-year navy officer with an unblemished record, found the government was angry that he had taken the photographs. Asked by a commanding officer to relinquish his pictures, he refused, saying he wanted to be sure they were safeguarded. He was arrested briefly and placed under armed guard.

Lieutenant Geltz was transferred and now is based at the Naval Surface Reserve Force in New Orleans awaiting his discharge on June 1.

Last spring he submitted a letter of resignation effective this June, but in September, before the defection incident, he changed his mind and asked to withdraw the letter. After the Medved affair the navy refused to allow him to withdraw his resignation.

A punitive letter of reprimand for his failure to obey an order was placed in his record, and that barred him from entering the Naval Reserves, as he had hoped to do so he could eventually qualify for a pension.

Navy officials say his case was handled just as any other would be. But Lieutenant Geltz's lawyer, Mark McTernan, said he believes the navy acted "vindictively," and he is appealing the reprimand.

Some say that Mr. Medved may be dead or in prison. Mr. Malakhov, however, says the seaman was interviewed by Tass shortly after his return to the Soviet Union and was quoted as saying he was "amused by the reports in the U.S. press" that he was imprisoned or dead.

Reagan Takes A Verbal Shot At Reporters

Los Angeles Times Service

WASHINGTON — Expressing irritation at the press is a time-honored tradition among the nation's presidents. And President Ronald Reagan proved Friday that he subscribes to that tradition.

As reporters peppered him with questions in what was supposed to be a "photo opportunity" showcasing the findings of a panel on defense management, Mr. Reagan was caught using an expletive to vent his frustration.

"Sons of bitches," the president muttered, a remark he apparently thought would not be picked up by recording equipment.

The White House spokesman, Larry Speakes, initially said that Mr. Reagan "doesn't recall saying it" or even hearing anyone else utter the offending words. But when it became evident that CBS television had a tape that proved otherwise, Mr. Speakes turned to humor.

"If he said it," Mr. Speakes joked, "he said, 'It's sunny and you're rich.'"

PUBLICATION JUDICIAIRE CONTREFACONS DES MARQUES "CHANEL" et "CD" SUR DES VÊTEMENTS ET SUBSTITUTION FRAUDULEUSE DE PRODUITS

Par un jugement du Tribunal de Grande Instance de MARSEILLE en date du 27 novembre 1985 :

— Dit que l'utilisation, par la Société LYDIA MARTIN de la dénomination "CHANEL" pour offrir en vente des vêtements qui ne sont pas de provenance CHANEL ainsi que l'apposition de cette dénomination sur lesdits vêtements constitue les délits de contrefaçon, d'usage illicite et d'apposition frauduleuse de la marque "CHANEL" numéro 649 906/1 223 079 et ce, au sens respectivement de l'article 422-11 et 12 du Code Pénal, modifié par les articles 27 et suivants de la Loi du 31 décembre 1964.

— Dit que l'usage, par la Société LYDIA MARTIN d'accessoires vestimentaires, notamment de boutons, comportant deux C majuscules entrecroisées en sens contraire, leur ouverture étant orientée vers l'extérieur, constitue la contrefaçon de la marque figurative N° 938 201 dont la Société CHANEL est propriétaire, au sens de l'article 422-11 du Code Pénal.

— Dit que la vente, par la Société LYDIA MARTIN d'un article qui n'est pas de provenance CHANEL mais qui se trouve identifié par la marque "CHANEL" constitue le délit de substitution frauduleuse de produit au sens de l'article 422-4 du Code Pénal.

— Interdit à la Société LYDIA MARTIN de faire usage, à quelque titre que ce soit et sous quelque forme que ce soit, de la dénomination "CHANEL" et/ou du motif figuratif constitué de deux C majuscules entrecroisées en sens contraire, dont l'ouverture est orientée vers l'extérieur, sous contrainte définitive de trois mille francs (3 000 F) par infraction constatée, à compter de la signification du présent jugement.

— Condamne la Société LYDIA MARTIN à payer à la Société CHANEL la somme de cent mille francs (100 000 F) en réparation de l'atteinte portée à la marque dénomination "CHANEL".

— La condamne à payer à la Société CHANEL la somme de cent mille francs (100 000 F) en réparation de l'atteinte portée à la marque figurative N° 938-201.

— Condamne la Société LYDIA MARTIN à payer à la Société CHANEL la somme de deux cent mille francs (200 000 F) en réparation de son manque à gagner sur les ventes perdues...

— Ordonne la publication du dispositif du présent jugement dans cinq quotidiens ou hebdomadaires d'importance nationale, le coût de chaque publication supporté par la Société LYDIA MARTIN étant fixé à douze mille francs (12 000 F).

— Condamne la Société LYDIA MARTIN à payer à la Société CHANEL la somme de dix mille francs (10 000 F) en réparation de l'atteinte portée à la marque dénomination "CHANEL".

— Ordonne l'exécution provisoire du présent jugement, en toutes ses dispositions.

— Condamne la Société LYDIA MARTIN en tous les dépens...

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Officers Admit to Plot To Bring Down Marcos, Allege a Later U.S. Role

By William Branigin

MANILA — Military officers were plotting to overthrow Ferdinand E. Marcos when he discovered their plan, officers who knew of the plot have said. By ordering their arrests, Mr. Marcos triggered the mutiny that brought him down. The disclosure confirmed Mr. Marcos's widely disbelieved assertions of a military plot against him. One of the Filipino officers involved said Friday that the reformist officers received important intelligence information through the U.S. Embassy, American military authorities and military attaches from neighboring countries once the mutiny began.

Information, the officer said, was provided on the disposition and activities of forces loyal to Mr. Marcos, including some intelligence gleaned from U.S. interception of communications. In addition, Philippine Air Force planes, ordered by Mr. Marcos to attack a rebel base on the eastern outskirts of Manila, were allowed to land at a U.S. base 50 miles (81 kilometers) north of the capital when the pilots decided to defect to the rebels and purposely ran low on fuel, the source said. A U.S. Embassy spokesman, Alan Croghan, confirmed that Philippine Air Force planes had landed at Clark Air Base on Sunday and Monday and had not taken off again on operations. He had no comment when asked whether U.S. interceptions of the Marcos forces' communications and other military information had been passed to the reformists. The military mutiny was led by Mr. Marcos's defense minister, Juan Ponce Enrile, and the armed forces vice chief of staff, Lieutenant General Fidel V. Ramos.

Hoxha's Widow to Lead Albania Electoral Group

VIENNA — The widow of Enver Hoxha, the former Albanian leader, has been elected chairman of the Democratic Front of Albania, the official news agency ATA said Sunday. Nezhmije Hoxha, 65, whose husband died last April after four decades in power, was nominated Saturday by the current Albanian leader, Ramiz Alia, at a meeting of the Democratic Front's general council, the news agency said. Mr. Alia noted that Mrs. Hoxha had been a member of the general council since its founding in 1942.

Manila Uprising United an Unlikely Duo

Washington Post Service
MANILA — Juan Ponce Enrile was known as the smooth "company man," loyal to the boss but not without ambitions of his own. An urbane, Harvard-educated corporate lawyer, Mr. Enrile joined the government of Ferdinand E. Marcos in 1966, shortly after its inception, and presided, as defense minister and martial-law administrator, over some of its worst abuses. His tenure also made him a wealthy man. Cardinal Jaime L. Sin, the influential Roman Catholic archbishop of Manila, was once denounced by Mr. Marcos's wife, Imelda, as the "red cardinal" because of his Chinese origin and what she contended were his pro-Communist sympathies. The cardinal was in fact a moderate anti-Communist. Nevertheless he found himself on the opposite side of the political fence from Mr. Enrile and the increasingly corrupt government that he represented for 20 years.



Cardinal Jaime L. Sin, left, with Defense Minister Juan Ponce Enrile at a Mass giving thanks for their victory.

Then, a little over a week ago, all that changed. Mr. Enrile, along with General Fidel V. Ramos, the armed forces vice chief of staff, launched a mutiny against Mr. Marcos, and Cardinal Sin called out his own followers in full support of them. Against what Mr. Enrile called "overwhelming odds" this "odd couple," Cardinal Sin and Mr. Enrile, triumphed. The main beneficiary was Corason C. Aquino, who both men believed had legitimately won the presidency in a disputed election on Feb. 7. How Cardinal Sin and Mr. Enrile came together and their followers merged — the cardinal's priests and nuns on one side, Mr. Enrile's core group of about 300 hardened combat veterans on the other — is a story of high-stakes gambling, overriding mutual in-

terests and some apparent political expediency. According to accounts pieced together in Manila, Cardinal Sin received a call at his archbishop's residence from Mr. Enrile at about 3 P.M. on Feb. 22. The defense minister had been warned that he and his security guards' organization were about to be arrested by Marcos loyalists in a crackdown on a military reformist organization. Shortly afterward, Cardinal Sin got a call from General Ramos, who was joining Mr. Enrile in a military mutiny at Camp Aguinaldo on the eastern outskirts of Manila. Realizing that the two men were together and that they were determined to make a stand, Cardinal Sin sensed an opportunity to get rid of a corrupt, unpopular regime that he once compared to "a plague of locusts." He also decided to go for broke and immediately summoned all the bishops, priests and nuns he could contact. The marching orders were to get people out on the streets to support the mutineers through peaceful demonstrations aimed at blocking loyalist forces sud-

through "human barricades" to protect the rebels from attack. Priests and nuns, who wield great influence in this predominantly Roman Catholic country, surrounded tanks and truckloads of soldiers, recited the rosary, gave them flowers and pleaded with the troops not to spill the blood of fellow Filipinos. The plot worked. Every time that loyalist troops set out to attack the rebels in force, they eventually turned back without firing a shot. The wily cardinal previously had maintained a policy that he called "critical collaboration" with Mr. Marcos, although occasionally he made his feelings plain. In a speech in Washington last year, Cardinal Sin said that "because of the abuses of the present administration, Communism is gaining ground, and therefore we need a new face, a new leader." His statements prompted Mr. Marcos to assert that the cardinal "still harbors his old fantasy of becoming a political leader." As Mr. Marcos's defense minister since 1971, Mr. Enrile faced a similar problem with Cardinal Sin. He complained in an interview in 1984 about the involvement of Catholic clergymen in activities that tended to support the New People's Army, which is waging a guerrilla war in the Philippine countryside. "It's easier to deal with Marxists than people of God," Mr. Enrile said at one point in the interview. Yet Mr. Enrile was increasingly isolated and shunted aside in recent years in a power structure dominated by General Fabian C. Ver, then chief of staff of the armed forces. He reportedly wanted to resign on more than one occasion, but was persuaded to stay on. — WILLIAM BRANIGAN

Manila Moves to Seize Marcos Holdings

By Michael Richardson
MANILA — The head of a special Philippine government watchdog agency has acknowledged it will be difficult to recover some of the huge holdings of cash, property and valuables owned or controlled in countries outside the Philippines by the family of Ferdinand E. Marcos and close associates. But Jovito Salonga, minister in charge of a presidential commission on good government, said in an interview Saturday that he was working closely with congressional

investigators and lawyers in the United States to sequester "ill-gotten accumulations of wealth" held by the Marcoses. He said he had authorized lawyers to impound cash, gold and other valuables taken by the Marcos party to Hawaii in two U.S. transport planes after they fled the Philippines on Wednesday. Reports from the United States say the cargo on the planes included 22 crates of new Philippine currency valued at more than \$1.1 billion as well as numerous documents showing investments

that could be worth worth hundreds of millions of dollars. Mr. Salonga was appointed Wednesday by President Corason C. Aquino and instructed to recover illegal "hidden wealth" held by the Marcoses and their associates abroad and in the Philippines. He also said Saturday that American lawyers had been engaged to prevent the sale or transfer of properties in New York thought to be controlled by Mrs. Marcos. He said estimates of the value of overseas holdings of wealth in the hands of the Marcos family and associates that belonged to the Philippine state ranged between \$5 billion and \$10 billion. Mr. Salonga, a lawyer and former senator, said Mrs. Marcos was fond of buildings. "She had an edifice complex," he said. "So her investments were in penthouses, condominiums, estates, office buildings, things that you can see readily." But he said that in the case of Mr. Marcos, his information was that holdings "are in the nature of deposits in banks." Mr. Salonga said the bank accounts were in Switzerland, Brazil and possibly the Bahamas. "The commission has to deal with different laws in different countries to get after these deposits," he said. "Whether we can take over these is at best speculative."

Mr. Salonga said the Marcoses and their associates had been "very clever. They did not hold their properties in their own names." Mr. Salonga said the commission would have sweeping powers to issue seizure and freeze orders, subpoena witnesses and hold them in contempt if they did not cooperate. He said Friday that he would recommend to President Aquino that the government immediately take over the Manila Electric Co. and other "crony-owned" public utilities. Mr. Salonga said the electric company, which provides power to the capital and four nearby provinces, was controlled by one of Mrs. Marcos's brothers, Benjamin Romualdez, through a foundation. Mr. Romualdez was formerly the Philippine ambassador to the United States. Mr. Salonga said hotels and other assets held illegally by the Marcoses and their associates in the Philippines would be confiscated. "It is a matter of proving concrete evidence that these properties are owned and controlled by Marcos or Mrs. Marcos through their dummy and associates and cronies," he said. Mr. Salonga said it appeared that nearly all the Marcos's close associates who controlled the largest amounts of illegally acquired wealth had left the Philippines.

Reagan Action on Marcos Carries Message for Despots

(Continued from Page 1)
Washington's recognition of Mrs. Aquino's government was immediate. At the same time, U.S. officials were examining larger implications. Could the new Philippine government end the interim one in Haiti cope with their virtually overwhelming problems? How would other undemocratic

governments perceive Mr. Reagan's actions? Would he seek to apply similar principles to South Africa, after having carefully avoided a showdown over President Pieter W. Botha's racial policies? Reagan administration officials themselves did not know the answers. But they were well pleased with the week's work.

More Valuables Disclosed
Real estate deeds, stocks and bonds and other documents detailing investments potentially worth hundreds of millions of dollars were aboard two U.S. Air Force transport planes that carried Mr. Marcos and his party to Hawaii last week, government sources said Saturday. The New York Times reported from Hawaii. The documents, along with large amounts of U.S. and Filipino currency, jewelry and other valuables, are being held under guard at Hickam Air Force Base in Hawaii until American officials determine what to do with the material. The question of whether Marcos will be allowed to keep the money and valuables could present an embarrassing problem to the Reagan administration. Appearing to set the stage for a court battle over the valuables and documents, the White House said Friday that "if there are any disputes or claims, they will be handled in accordance with United States, Filipino and international law, as appropriate." In addition to boxes that are said to be filled with cash, property deeds, stocks, bank certificates of deposits and other documents, a large amount of jewelry, art works, gold and other valuables is reported to have been brought from the Philippines by the Marcos party. Members of the Marcos party, who are living in a cluster of closely guarded homes at Hickam Air Force Base, are not being allowed access to their property, except for a small amount of clothing and personal items, the spokesman said. Mr. Marcos, in a brief appearance before reporters Friday, said he was looking for "private quarters to rent or lease." He read a "letter to the Filipino people" in which he said he had decided to give up power without a fight because even though he had "superior military force" at his command, resistance would have resulted in a "bloody carnage of our innocent civilians." At the top of the copy issued to reporters was a typed letterhead: "Office of the President of the Philippines, Manila."

Reagan's recognition of Mrs. Aquino's government was immediate. At the same time, U.S. officials were examining larger implications. Could the new Philippine government end the interim one in Haiti cope with their virtually overwhelming problems? How would other undemocratic

U.S. to Endorse 'Force' As Reply to Terrorists

But New Policy Bars Random Strikes Against Nations Harboring Attackers

By Bernard Gwertzman

WASHINGTON — The Reagan administration, in a new policy declaration on combating terrorism, will endorse "a judicious employment of force" to retaliate against terrorist attacks and to deter further attacks, an administration official said. But the report, to be issued Thursday, will rule out random acts of retaliation against nations harboring terrorists, the official added. Several officials said the report, by Vice President George Bush's Task Force on Combating Terrorism, more or less kept to the current policy lines. Recent policy has been marked by disagreements within the administration on how to respond to specific attacks. The report, which follows a study that lasted several months, was to be released Friday, they said. But the publicity over developments in the Philippines and over President Ronald Reagan's speech on defense issues led to a postponement, they said. American officials have said for some time that there was a particular need for an agreed policy within the administration on dealing with terrorists. Robert B. Oakley, the ambassador at large who is to coordinate policies with foreign governments, said Friday, "We predict that on the international side, the terrorist threat is likely to continue to grow and be with us for at least another decade." The report to be released this week states that a "successful deterrent strategy may require judicious employment of force." But that position is qualified, administration officials said, by the statement that it is against American principles "to engage in random retaliation."

The report says that when terrorists can be identified and located, the U.S. policy is to act in a way that does not surrender "basic freedoms" or endanger "basic values." The overriding thrust of the report seemed to reflect the Reagan administration's increasing commitment to take a more forceful approach in dealing with terrorists. But the differences between Secretary of State George P. Shultz and Defense Secretary Casper W. Weinberger on the use of force seemed unresolved. Mr. Shultz has advocated a more liberal use of force in retaliation against terrorism. As a result of the attacks in December at the Rome and Vienna

airports, Mr. Shultz reportedly supported military attacks on Libya, which was accused of carrying out the shootings at the airports. But Mr. Reagan in the end agreed only to tighten economic sanctions against Libya while warning that further steps might be taken. The Bush panel, which was headed by Admiral James L. Holloway, former chief of naval operations, had several bitter disputes, participants in the study said. A major difference involved how the multi-terrorist fight should be managed. The final recommendations, which were approved recently by Mr. Reagan, are said to represent a compromise. The Justice Department, mainly through the Federal Bureau of Investigation, remains the "lead agency" for combating terrorism within the United States. The State Department, which has asked for \$4.4 billion to strengthen its overseas and domestic security ability, will be the lead agency responsible for responding to terrorist activities abroad. Within the department, the newly formed Bureau of Diplomatic Security, headed by Robert E. Lamb, will be in charge of providing protection for U.S. facilities and personnel abroad. Mr. Oakley, the ambassador at large, remains in charge of coordinating efforts with other governments and within the administration. Because of the differences within the government over the proper use of force against terrorists, the report calls for the creation at the White House of a "special high-level coordinating group" when there is a crisis "where the use of American force might be considered," Mr. Oakley told a Judiciary subcommittee of the House of Representatives on Friday. Other officials said the recommendations accepted by Mr. Reagan included federal legislation providing for the death penalty for killing an American abroad in a terrorist incident, and a special terrorism intelligence center. Also accepted were moves to combine the House and Senate intelligence committees; an increase in the amount of money available for information on apprehending terrorists from \$500,000 to \$1 million; and the extension of American citizenship, as well as protection from prosecution, to people who provide information on terrorists.

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World Leaders Express Shock, Sorrow Over a 'Senseless Act'

WASHINGTON — President Ronald Reagan expressed shock and sorrow over the death of Prime Minister Olof Palme...

Mr. Reagan called the prime minister's assassination "a senseless act of violence" and extended his condolences to Mr. Palme's family and the Swedish people.

"The world will remember him for his devotion to democratic values and his untiring efforts to promote peace," the president said.

The White House said President Reagan and Vice President George Bush had sent private letters of condolence to Mr. Palme's widow, Lisbeth, who was slightly wounded in the attack...

In Copenhagen, Prime Minister Poul Schluter said he was "deeply moved and utterly paralyzed," adding, "It is so meaningless and tragic."

Prime Minister Kalevi Sorsa of Finland said Mr. Palme was the international community's peace fighter and conscience.

"Justice and equality in the world were Palme's working principles," he said. "They are his heritage to us and they shall live."

In China, Prime Minister Zhao Ziyang praised Mr. Palme as a renowned international activist who

had made positive contributions to world peace.

In Moscow, where delegates to the congress of the Soviet Communist Party stood in silence for a minute in tribute to Mr. Palme, the Soviet press agency, Tass, described his killing as "a terrorist attack."

The Tass article said the attack was the result of his work on behalf of the campaign for peace, disarmament and East-West cooperation.

Tass listed the slaying among cases of what it called punishment of peace activists by "militarists of all stripes," including U.S. and West German officials.

Pope John Paul II condemned the assassination and, in a telegram to the king, said that he prayed that God would persuade people to renounce acts of hatred and work together to establish peace.

Queen Elizabeth II sent the king a message expressing her sympathy for Mr. Palme's family and the Swedish people.

Prime Minister Rajiv Gandhi of India, who had worked closely with Mr. Palme in campaigning for nuclear disarmament, declared Sunday a national day of mourning in India.

Chancellor Helmut Kohl of West Germany called the assassination a "cowardly ambush."

In Canada, Prime Minister Brian Mulroney said Canadians had been struck by the "brutal blow to a man in the prime of life who was denied

the dignity of a death detached from violence."

President Francois Mitterrand of France spoke of an "old and loving relationship" he had enjoyed with Mr. Palme. In Greece, Prime Minister Andreas Papandreu called Mr. Palme "a symbol of all that is decent in the world."

In Tokyo, Prime Minister Yasuhiro Nakasone described Mr. Palme as a statesman of conscience who exerted great strength in working for promotion of world peace and disarmament.

"He was a personal friend and truly a steadfast supporter of the United Nations," said Javier Perez de Cuellar, the UN secretary-general, in a letter to Sweden's foreign minister, Lennart Rodstrom.

The East German leader, Erich Honacker, sent a telegram to King Carl expressing indignation and sorrow.

Nicolae Ceausescu, the president of Romania, told the Swedish king in a message that his country had learned of Mr. Palme's death "with deep sadness."

In the Uruguayan resort of Punta del Este, eight Latin American foreign ministers expressed "surprise, shock and grief."

The ministers from Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay and Venezuela were meeting to discuss new peace moves in Central America, an area in which Mr. Palme had taken a special interest.

Prime Minister Shimon Peres of Israel expressed shock at Mr. Palme's death, calling him "a brilliant figure sensitive to justice abroad as well as in his own country." (NYT, AP, Reuters)

Backlash Aimed at Immigrants Is Feared

STOCKHOLM — Ingemund Bengtsson, the speaker of Sweden's parliament, has expressed fear that the murder of Prime Minister Olof Palme could cause an outburst of hatred toward Sweden's many immigrant communities...

Politicians fear an explosion of anti-immigrant feeling in a country where nearly a tenth of the population is foreign-born.

Mr. Bengtsson said: "I am afraid of what could happen if the culprit turns out to be Swedish. The hatred toward immigrants could become horrific."

On Sunday, foreigners and Swedes were united in mourning the prime minister, under whose leadership the country saw an influx of about 25,000 immigrants per year.

"We'll never forget him," said Dederem Mehmet, leader of the Turkish and Islamic Association. "Whoever did it was a bastard."

Mr. Mehmet said he would not blame Swedes if they reacted with hatred toward the immigrant community if the killer proved to be a foreigner.

"It's perfectly normal to react that way," he said.

Sweden harbors about 30 minorities, including about 33,000 Latin Americans, 4,000 Iranians, 17,000 Turks, 40,000 Yugoslavs and 5,000 Kurds.

Like most of Western Europe, Sweden has tightened immigration policies amid domestic economic problems, but under Mr. Palme it has remained one of the most open societies in the world to those fleeing unrest and human rights abuse.

However, over the past year, the country has seen the first signs of racist activity, with small groups of neo-Nazis calling for expulsion of immigrants.

The murder also has robbed Sweden of its only politician of international stature and left foreign policy in the hands of relative newcomers.

"Virtually all of Sweden's major international initiatives were directly attributable to Palme's driving influence and interest in foreign affairs," a Western diplomat said.

Mr. Palme's initiatives included the Palme Commission, an independent disarmament lobby grouping countries from the East, the West and neutrals; the Five Continents initiative on a nuclear freeze; and mediation attempts in the Gulf war.

His successor, Ingvar Carlsson, has little experience in foreign affairs. Foreign Minister Sten Andersson took up his post only last October.

Diplomats said the thrust of Swedish foreign policy, with its emphasis on safeguarding the country's neutrality, campaigning for disarmament and helping the Third World, would remain the same but that the style would change.

"Without Palme there is far less scope for flamboyant initiatives," a diplomat said.

Palme: An Aristocrat Turned Socialist

By Robert D. McFadden New York Times Service NEW YORK — Olof Palme was the dominant figure in Swedish politics in the 1970s and 1980s and was a forceful, often acerbic voice on the world stage as well.

First elected chairman of Sweden's Social Democratic Party and prime minister in 1969, Mr. Palme led his party in two consecutive general elections before losing in 1976 to a coalition of non-Socialists in a defeat that ended 44 years of Social Democratic government.

In 1982, Mr. Palme led the Social Democrats back to power. Re-elected last fall to another three-year term, he remained at the helm until his assassination.

Mr. Palme, 59, was something of a paradox: an aristocrat turned Socialist, perhaps the most leftist of the Western leaders, head of a neutral nation of 8.3 million people but seemingly more at home in the international arena.

He infuriated the United States with outspoken opposition to American involvement in the Vietnam War. He often spoke out for nuclear disarmament and urged a nuclear-free Europe, starting with Scandinavia.

He often seemed to favor the Soviet Union in East-West disputes and was less than adamant even when Soviet submarines were reported to have intruded into Swedish waters.

In 1980, he and Austria's chancellor, Bruno Kreisky, and the Spanish Socialist leader, Felipe Gonzalez, formed a mission to Tehran in an unsuccessful effort to seek a solution to the U.S.-Iranian hostage crisis.

Mr. Palme also served unsuccessfully as a United Nations peacemaker in the long border war between Iran and Iraq, making several trips into the region to discuss proposals for winding down the fighting. Though he had many critics, his admirers called him a man with a "world conscience."

At home, Mr. Palme used high taxes to create a society generous with medical, educational and recreational benefits. He scoffed at calls for tax cuts, more competition and less welfare spending as a prescription for a society of "egoism and sharp elbows."

A slight, blue-eyed man with a formidable intelligence and an eagerness for debate, Mr. Palme spoke fluent English, French, German and Spanish and some Russian, in addition to the Scandinavian languages. He could inspire his followers with visions of Socialist life, but he also had a bawling manner that many people took for condescension.

"I was born in the upper class, but I belong to the labor movement," Mr. Palme once said. "I got there by working for the working class on its own terms, by joining the movement working for free-

dom, equality and fraternity among people."

Mr. Palme was born Jan. 30, 1927, the youngest of three children of an upper-class family in Stockholm. The future leader was often in ill health as a child but he was a good student, learning several languages by the age of 4.

After graduating a year early, at 17, from one of Sweden's best private schools, he entered military service as a draftsman and rose to become a cavalry lieutenant. He won a scholarship to Kenyoo College in Ohio, where he earned straight A's and received a bachelor's degree in 1948.

After graduation, Mr. Palme hitchhiked around the United States for four months, visiting 34 states on a \$300 budget that took him into pockets of poverty in a land of plenty.

He recalled having seen "how poor some people were in the world's richest land." The adventure was a turning point in his life, and the comment was virtually a theme for the Socialist ideology of his political life.

Continuing to travel, he found himself in Prague in 1949. There, he married a Czechoslovak student simply to help her leave for the West. The couple left for Sweden immediately after their wedding in December and later were divorced as planned. Mr. Palme and his second wife, Lisbeth Beck-Friis, were married in 1956 and had three children.

Mr. Palme earned a law degree from the University of Stockholm in 1951. By then he had been a member of the Social Democratic party for a year.

"I shall remain a Social Democratic party worker for the rest of my life," he said at the time.

In 1956, Mr. Palme was elected

to his first eight-year term as a member of the upper house of the Riksdag, the Swedish parliament.

Mr. Palme joined the cabinet of Prime Minister Tage Erlander as a minister without portfolio in 1963. Two years later he became minister of communications.

In 1967 Mr. Palme became minister of education and religious affairs. He promoted changes that included strengthening Marxist curricula, and he irritated many conservative Swedes by allowing himself to be interviewed in the sexually explicit film "I Am Curious (Yellow)."

A year later, he marched with the North Vietnamese ambassador to Moscow in a Stockholm demonstration against the American role in the Vietnam War. He soon became known outside Sweden as a major critic of the U.S. involvement in Vietnam.

Mitterrand Rejects 'Discount' Role

PARIS — President Francois Mitterrand said Sunday that he would rather resign than be a "discount president."

But in his first public indication that he is prepared to pick a prime minister from the center-right opposition after parliamentary elections in two weeks' time, he said a clear-cut majority would dictate his choice.

"There is no question of my being a discount president," Mr. Mitterrand said. "I would rather renounce my functions than renounce my rights."

Asked about his choice of prime minister, Mr. Mitterrand said it was his duty to assess the "popular will."

"If voters choose a clear majority with precise contours, my job is to try to designate as prime minister a personality from that milieu. If a clear majority results from the voting, the president, who names the prime minister, approaches a person from that majority."

Opinion polls show that the Socialists will lose the elections, leaving a president with a hostile parliament for the first time since the Fifth Republic was founded by Charles de Gaulle in 1958.

"I am the president of the republic," Mr. Mitterrand said. "I will assume my responsibilities whatever the majority. If it's a combative majority, and especially if it's combative against the president of the republic, there will be a sort of disorder, a very great difficulty. I count on my domain being respected."

Jacques Chirac, the leader of the neo-Gaullist Rally for the Republic and the main candidate for the prime minister's post, has said that cohabitation, under which Mr. Mitterrand would remain as president with a rightist prime minister, is possible provided that the president gives the right free hand to implement his program.

However, former Prime Minister Raymond Barre, a centrist who is

consistently cited as one of France's most popular politicians by polling institutes, says that Mr. Mitterrand should resign if the Socialists lose the elections.

Mr. Mitterrand has said that he will remain until the end of his seven-year presidential mandate in 1988.

"A majority which tries to dispute the powers of the chief of state conferred by the constitution will be making a very serious mistake," he said Sunday.

Mr. Mitterrand said that his television appearance Sunday night would be his last before the elections March 16.

Opposition leaders have accused Mr. Mitterrand of abusing his position by campaigning for his Socialist Party.

On Saturday, the Audiovisual High Authority, a government-appointed watchdog group, told the opposition it could make brief responses to Mr. Mitterrand during regular television news programs.



Olof Palme and his wife, Lisbeth, taking part in a recent demonstration in Stockholm.

Police Believe Killer Stalked Palme Before Attack

(Continued from Page 1) similar to those fired by the assassin.

Shortly after the killing, the police found one of the bullets about 40 yards from Mr. Palme's body. This bullet, they said, apparently was the second of the two fired and had passed through the clothing of Mrs. Palme, injuring her slightly.

The fatal bullet, which hit Mr. Palme in the upper back and exited his body, was found in snow and debris police had gathered from the sidewalk near where he fell.

The Swedish government, under the acting prime minister, Ingvar Carlsson, met Sunday and confirmed that it would make no changes in Mr. Palme's cabinet. His Social Democratic Party, whose parliamentary majority is expected to confirm Mr. Carlsson

in a March 11 vote, said that Mr. Palme's funeral will be March 15.

■ Attempt to Revive Palme Joseph Leyveld of The New York Times reported earlier: Anna Hage, a 17-year-old untrained nurse who was sitting in a parked car nearby when the prime minister was shot, tried to apply heart massage techniques she had learned. As she approached the wounded man she had no idea who he was, she later said, but Mrs. Palme cried out: "It's my husband! Doo? you see who I am?"

Miss Hage said that she felt Mr. Palme's pulse start and then stop. He was bleeding heavily from the mouth.

The place where he fell, in front of an art supplies shop on a main north-south artery called Svenav-

gen, was more than two blocks from the movie theater where he had seen a new Swedish comedy and about a 15-minute walk from his home in the part of Stockholm known as Old Town.

Thousands gathered to stand and stare behind metal barricades that the police had thrown up on the busy main thoroughfare where Mr. Palme was shot.

Metal barricades kept the crowds that gathered near there Saturday at a distance of a block. But the police accepted bouquets of flowers, mainly roses, from members of the crowd and carried them to the spot where Mr. Palme fell. As the afternoon wore on and the pale winter sun sank in the sky, a mound of roses was gradually raised at the site where overnight a small pool of blood had frozen.

Many of the bouquets carried messages, expressing bewilderment.

"Who has killed our dove of peace?" one of these asked. "Why should a true democrat be murdered?" asked another.

The death of firm evidence became apparent Saturday night when an embarrassed police official, Kenneth Karlsson, had to retract an earlier police version of evidence given by Mrs. Palme.

Mrs. Palme was originally reported to have told the authorities that she thought the assailant resembled a man she had seen lurking near her home.

But Mr. Karlsson, who was understood to have offered the revised version on the insistence of Mrs. Palme, acknowledged that she had said nothing about a resemblance. What she had done, he said, was to recall two men whose behavior near her residence seemed suspicious when she noticed them three weeks ago.

John Paul to Visit Colombia

VATICAN CITY — Pope John Paul II said Sunday he would visit Colombia in July and expressed the hope that he could tour other Latin American countries "in the not too distant future."

It was the pope's first reference to the visit, although the Colombian authorities said earlier that he had accepted an invitation.

Deputy Nominated to Succeed Slain Leader

(Continued from Page 1) ersity, in Evanston, Illinois, where he studied economics.

In 1961 he returned to the Erlander cabinet and also became chairman of the Swedish Social Party Youth League, a post he held until 1967.

In 1964 he was elected to parliament, becoming its youngest member. In 1967, Mr. Erlander named him undersecretary of state.

When Mr. Palme succeeded Mr. Erlander in 1969, Mr. Carlsson

took over from Mr. Palme as minister of education and cultural affairs, becoming the youngest minister ever.

In 1973 he was named minister of housing and physical planning and devoted himself to energy and economic questions.

From 1971 to 1974, he was chairman of the Stockholm County branch of the Social Democrats, and since 1972 he has been a member of the party's executive committee.

After the party lost in 1976 to a coalition of non-Socialists, Mr. Carlsson devoted himself to planning its comeback. When the Social Democrats regained control, he assumed responsibility for research and planning.

As party theoretician, he acquired such nicknames as "the wise old man" and "the cleaning woman."

He is married to the former Ingrid Melander, a librarian. They have two daughters.

Lady Amalia Fleming, Greek Politician, Dies at 73

ATHENS — Lady Amalia Fleming, 73, a prominent political activist and the wife of the British doctor who discovered penicillin, died Wednesday in Athens.

A hospital announcement said that Lady Fleming, who was a Socialist Party member of the Greek legislature and also a member of the European Parliament, died of a heart attack resulting from kidney failure.

A medical graduate of Athens University, Lady Fleming went to England for postgraduate studies and in 1946 became an assistant to

Sir Alexander Fleming. They married in 1953 when he was 72 and she was 37. He died two years later, and she never remarried.

Lady Fleming was born Amalia Koutsouri in 1912 in Constantinople.

During the 1941-44 Nazi occupation of Greece, she joined the local resistance movement and provided supplies and information to British, Australian and New Zealand officers. She also provided false identity papers to foreign officers and to Greek Jews.

against the military regime that ruled Greece from 1967-74. She was arrested in September 1971 and sentenced to 16 months imprisonment on charges of plotting the escape of a man who had tried to assassinate the Greek ruler, George Papadopoulos. She was released on health grounds two months later, but was stripped of her citizenship.

Laura Z. Hobson, 85, Wrote 'Gentleman's Agreement'

NEW YORK (AP) — Laura Z. Hobson, 85, the author of "Gentleman's Agreement" and eight other

novels, died of cancer Friday in New York.

Mrs. Hobson also wrote an autobiography, hundreds of short stories and articles, news features and advertising copy during a career that spanned six decades.

But "Gentleman's Agreement" brought her the most fame. The story is about a writer who poses as a Jew to learn of anti-Semitism. The movie, starring Gregory Peck and Dorothy McGuire, won the Academy Award as the best film of 1947 and the New York Film Critics' best film citation.

Herald Tribune CONFERENCE SCHEDULE 1986. MEET THE GREEK GOVERNMENT: INVESTMENT AND TRADE IN GREECE. Cosponsored with the American-Hellenic Chamber of Commerce May 12-13, Athens. THE INTERNATIONAL BUSINESS OUTLOOK. Cosponsored with Oxford Analytica September 24-27, Oxford. OIL AND MONEY IN THE EIGHTIES. Cosponsored with The Oil Daily October 23-24, London. Includes a registration form with fields for Surname, First Name, Position, Company, Address, City/Country, Telephone, Telex, and Company activity.

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01-423-1277. Prices may vary according to market conditions and other factors.

RECENT ISSUES

Table listing recent bond issues with columns for Security, Maturity, Price, and Yield.

Table listing bond prices for various countries including Australia, Austria, Belgium, Canada, Finland, France, Germany, Greece, Hong Kong, India, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Spain, Switzerland, Taiwan, Thailand, United Kingdom, and USA.

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STRAIGHT BONDS All Currencies Except DM

Table listing straight bond prices for various countries including Australia, Austria, Belgium, Canada, Finland, France, Germany, Greece, Hong Kong, India, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Spain, Switzerland, Taiwan, Thailand, United Kingdom, and USA.

HIGHEST YIELDS to Average Life Below 5 Years

Table listing highest yields for bonds with an average life below 5 years.

HIGHEST YIELDS to Average Life Above 5 Years

Table listing highest yields for bonds with an average life above 5 years.

HIGHEST CURRENT YIELDS

Table listing highest current yields for various bonds.

HIGHEST YIELDS to Average Life Below 5 Years

Table listing highest yields for bonds with an average life below 5 years.

HIGHEST YIELDS to Average Life Above 5 Years

Table listing highest yields for bonds with an average life above 5 years.

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HIGHEST CURRENT YIELDS

Table listing highest current yields for various bonds.

ZERO-COUPON BONDS

Table listing zero-coupon bond prices for various countries.

WestLB Eurobonds DM Bonds Schuldscheine for dealing prices call

Advertisement for WestLB, a German bank, providing contact information for Eurobonds, DM Bonds, and Schuldscheine in various international locations including Düsseldorf, London, Luxembourg, Hong Kong, and New Zealand.

INTERNATIONAL Herald Tribune

Sudden Grief for Sweden

Another important bit of freedom has been killed. Olof Palme, the prime minister of Sweden, was shot as he walked home from a movie with his wife.

Harry Truman's early morning walks and sidewalk interviews are a distant memory. American presidents and even ambassadors stopped walking the streets long ago.

In an age of violence and terrorism, when democracies find they can assure the lives of their leaders only by keeping them behind protective shields far from the people.

Mr. Palme commanded respect, but he was not universally loved and did not aspire to be. Many of his policies were controversial. He loved sharp debates and often won them.

An internationalist, he was aggressive in his neutralism, in his criticism of the United States at the time of the war in Vietnam, and in his efforts over nuclear disarmament.

Sweden's sudden grief is comparable to the mourning of Americans over President John F. Kennedy's death. The shock has been doubly deep because the country's public life has been so free of violence and its democracy so secure.

Other Swedes before Mr. Palme have been towering figures on the international scene. Dag Hammarskjöld, the United Nations secretary-general who also died a violent death, was one of them.

INTERNATIONAL HERALD TRIBUNE

Manila: The Morning After

Insolvency and insurgency are the predatory vultures that most immediately menace the new democratic regime in the Philippines.

Much of the rot is directly attributable to the profligacy of the deposed president, Ferdinand E. Marcos. To buy favors and votes in the rigged Feb. 7 election, he squandered as much as \$500 million.

Simply by restoring stability and hope, the Aquino team can lure back some of that departed wealth. Without spending a penny, her new regime can rid the country of "crony capitalism" — the marketing monopolies that enriched the Marcos clique.

No doubt the rebels will regroup and find fresh reasons for terror against local officials. An insurgency that had grown to perhaps 30,000 soldiers will not quickly collapse.

THE NEW YORK TIMES

crash landing. This does not have to be vastly expensive. It should be possible, for example, to step up disbursements of pending aid, to waive "buy American" requirements that prevent investment guarantees.

In vital respects, the Philippine case is different from that of other debtors. In its desperation two years ago, the Marcos regime accepted the International Monetary Fund's austerity conditions.

What could add to confidence is some success in containing a Maoist insurgency. Mrs. Aquino has stolen the clothes of protest, and without violence, leaving the New People's Army the hard task of trying to prove that she is merely America's choice to succeed the "U.S.-Marcos dictatorship."

It will not be easy to whip up hatred against a woman who frees political prisoners and offers amnesty even to her armed opponents.

Other Opinion

The Challenge to Mubarak

The widespread rioting by security units is indicative of the threat to stability that President Hosni Mubarak's regime is likely to continue to confront.

Gross inefficiencies, widespread corruption, bureaucratic bumbling and dubious allocations of resources all contribute to a chronic economic malaise. Add to that a birth rate that is one of the highest in the world and that each year puts further strains on social services never regarded as adequate.

President Mubarak cannot count any longer on the central forces of law and order. The Egyptian leader must now tackle the Islamic problem. If the responsibility for the mutiny is not established on the part of Islamic extremists, their influence is nevertheless clear.

had to come home to a country where jobs are scarce, compensation poor and living conditions at best difficult.

At the risk of being unsuitable, one could stop briefly in the search for causes of the Egyptian mutiny at the point where tourist affluence meets indigenous poverty. The Holiday Inn and Jolie Ville Hotel may have been burned down because they represent a couple of weeks' luxury to which the rebellious police corpscripts cannot aspire to a lifetime.

The effects of this challenge to Mr. Mubarak's rule are likely to be long lived. Egyptians would not be the only loser — so would the Mideast region — if the challenge succeeded.

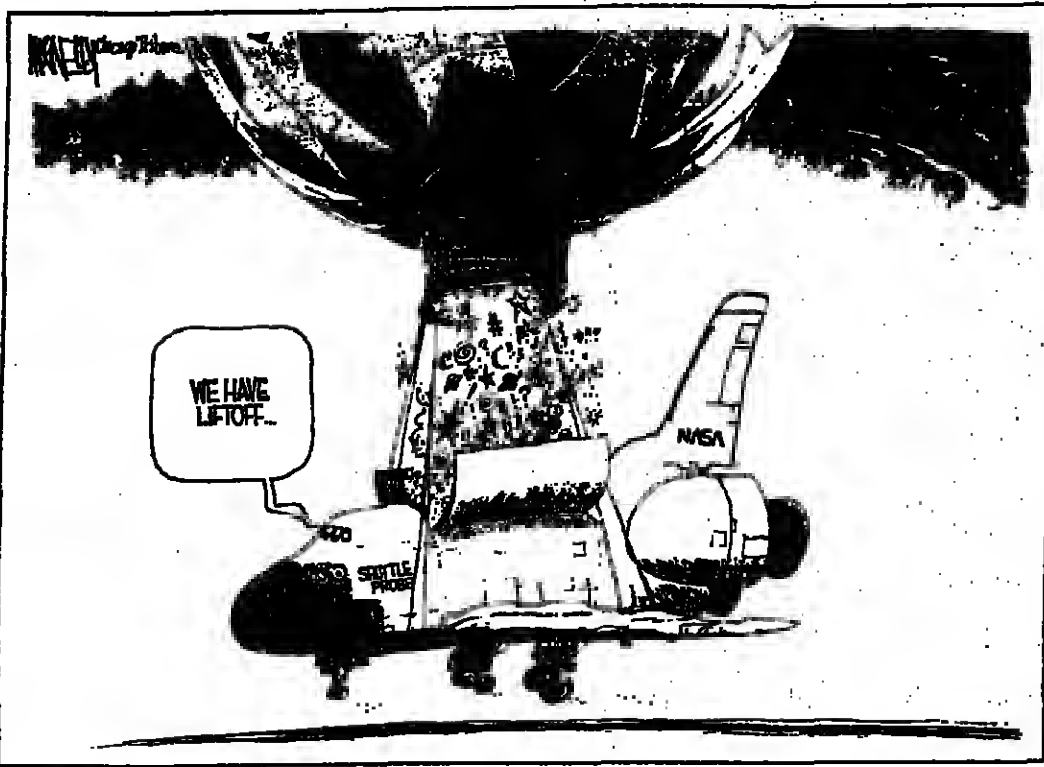
LE MONDE (Paris)

FROM OUR MARCH 3 PAGES, 75 AND 50 YEARS AGO

1911: African Animals for America NEW YORK — A novel game expedition starts for East Africa this week for the purpose of capturing wild animals. It is proposed to transport the animals and turn them loose on the plains of the South-west and the ranges of the Rocky Mountains, where, it is hoped, they will breed.

1936: Back to Gold Coins for France? PARIS — Discussion of whether gold should be coined and once more distributed to the public in exchange for notes has inspired a newspaper study of the situation. This question conjures up visions of happy pre-war days when men were never tormented by fears lest banknote values melt away.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen



To Win Electoral Game, Mitterrand Changes Rules

By William Pfaff

PARIS — Whoever wins the French parliamentary election that takes place on March 16, a chapter in the political life of France will have closed. That period of solid and direct government and responsible politics, opened by General Charles de Gaulle's return to power in 1958 and the subsequent proclamation of the constitution of the Fifth Republic, will be over.

The Fifth Republic's constitution had three key elements: a powerful presidency, a prime minister and cabinet ultimately accountable to the president but able to act independently, and direct two-stage elections, permitting people to vote with their emotions in the first round and their common sense in the second.

This innovative combination of parliamentary and presidential systems produced the most stable and effective governments modern France had ever known. The system was criticized as made to the measure of a particular and formidable individual, and as posing a permanent threat of divided power if a president, elected for seven years, were to confront a parliament, elected for five years, opposed to his policies.

That is what now is in prospect. President Francois Mitterrand expects this month to face a new parliament dominated by his conservative opponents. As a result he has taken a series of precautionary measures that already have markedly altered the quality of the country's political life.

The voting system has been changed to one of proportional representation, with a single voting day, thereby increasing the weight of marginal parties and reducing the sanctions on irresponsible behavior by the major parties. The purpose is to multiply Mr. Mitterrand's opportunities for maneuver and coalition in a hostile parliament.

Two new television networks have suddenly been set up under the control of Mr. Mitterrand's supporters. Friends have been named to influential positions.

There has been in France an insidious tendency toward perversely destructive political conduct, a spitefulness of which Albert Camus said: "I know only too well what it has cost us and still costs us. For the past 20 years, the French have loathed their political opponent to the point of preferring anything to him, even foreign dictatorship."

Camus was writing in 1958 about the war in Algeria. Things are hardly so serious now. Yet the spitefulness persists, the willingness to do anything — almost anything — to keep France's power and prestige. Mr. Mitterrand's recently have concerned how to preserve his own and his party's power after mid-March.

What he has done suits his taste and temperament as well as serving his advantage. His career has been that of a supple and secretive maneuverer, a man of parliamentary deals and coalitions and changing alliances. He began his political life in the Vichy government, moved on to the Resistance, and after the war he was right-of-center. His conversion to socialism came only 15 years ago, when the Socialist Party was in grave decline and was open to takeover.

Mr. Mitterrand has accomplished great things. He has legitimated a left whose previous experience in 20th-century French government had been brief, abrupt and catastrophic, almost producing enduring social reforms. The Socialist Party, thanks to him, now is a serious, established force in the alternation of power in the country's government. He has marginalized, all but destroyed, the French Communist Party. He has purged the country of certain old and sterile quarrels, notably that concerning religious schools.

If the vote does go against the Socialists on March 16, the president could retire and be confident of his place in contemporary history. Such a retirement would be a dignified acknowledgment that the public had chosen to change course, and certainly is what de Gaulle would have done — which is perhaps a decisive reason why Mr. Mitterrand, an old enemy of de Gaulle, will not retire.

By choosing to remain and changing the electoral game, Mr. Mitterrand is effectively recreating the system and increasingly the spirit of the Fourth Republic within the framework of the Fifth.

A distinguished Paris journalist, Serge July, in a new book on the Mitterrand presidency, sees in this the necessary normalization of French democracy after the extraordinary experience of Gaullism. Perhaps this is so. But an outsider may be forgiven for seeing such a "normalization" as diminishing France.

INTERNATIONAL HERALD TRIBUNE

the opponent out of power, simply because he or she is the opponent. There is also a French taste for dramatic, unexpected actions — coups — which catch the opponent off-guard. De Gaulle was a man of courage. So is Mr. Mitterrand. De Gaulle's concern was resistance to Nazi occupation, war and peace in Algeria, decolonization, the restoration of

France's power and prestige. Mr. Mitterrand's recently have concerned how to preserve his own and his party's power after mid-March.

What he has done suits his taste and temperament as well as serving his advantage. His career has been that of a supple and secretive maneuverer, a man of parliamentary deals and coalitions and changing alliances.

There has been in France an insidious tendency toward perversely destructive political conduct, a spitefulness of which Albert Camus said: "I know only too well what it has cost us and still costs us. For the past 20 years, the French have loathed their political opponent to the point of preferring anything to him, even foreign dictatorship."

Camus was writing in 1958 about the war in Algeria. Things are hardly so serious now. Yet the spitefulness persists, the willingness to do anything — almost anything — to keep

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What he has done suits his taste and temperament as well as serving his advantage. His career has been that of a supple and secretive maneuverer, a man of parliamentary deals and coalitions and changing alliances.

By choosing to remain and changing the electoral game, Mr. Mitterrand is effectively recreating the system and increasingly the spirit of the Fourth Republic within the framework of the Fifth.

A distinguished Paris journalist, Serge July, in a new book on the Mitterrand presidency, sees in this the necessary normalization of French democracy after the extraordinary experience of Gaullism. Perhaps this is so. But an outsider may be forgiven for seeing such a "normalization" as diminishing France.

INTERNATIONAL HERALD TRIBUNE

Gulf War: A New, More Complex Phase Has Begun

By Drew Middleton

WASHINGTON — After two weeks' fighting sparked by two widely separated Iranian offensives, the Gulf war seems no closer to an end than it was a month ago.

The second Iranian thrust took an undisclosed number of troops into northern Iraq where the invaders have occupied a considerable amount of real estate, but do not seem to have dealt any punishing blows to the defenders. The real danger to Iraq is that the Iranian force will push westward toward Kirkuk, the center of Iraq's active oil industry.

Further south the ill-advised taking of the Iraqi port of Faw on the Gulf has not brought the dividends the Iraqis expected. Their force there, although its morale remains high, is being subjected to heavy bombing by the Iraqi air force and one by one its supply lines are being cut.

The Iraqis, however, have failed to halt Iranian efforts to build a causeway across Abadan Island and the Shatt-al-Arab waterway to Faw. Should the invaders succeed, then the 30,000 Iraqis in the bridgehead will get the supplies they need and Faw will become a major staging area for a push on the port city of Basra, a key objective but one that is heavily defended on all sides.

This is the present war situation in broad outline. Neither side normally permits neutral military attaches or reporters to visit the front. Two offstage situations are likely to affect military operations; one political and the other economic. Intelligence organizations in the West have recently been paying more attention to the National Council of Resistance of Iran, which appears to be expanding the insurgency against Ayatollah Ruhollah Khomeini's government.

The council has been labeled as "terrorist" by some in Washington and, of course, its claims must be viewed with skepticism. Nonetheless, there is considerable neutral support for the insurgents' claim that in the past 12 months they have staged 200 demonstrations against the war, which means against the Khomeini government carrying on the war. There is also evidence that those demonstrations caught were tortured and executed. The National Council puts the figure at 50,000 executed and claims that the Khomeini government has executed 140,000 civilians since the start of the war in September 1980.

Intellectuals, merchants and bazaar workers are described as being very active in the insurgency. National Council sources also claim that more than 30 percent of the movement are women, not surprising considering the Khomeini regime's fundamentalist Islamic strictures which relegate women to an inferior role in society.

The resistance, led by National Council chairman Masoud Rajavi, claims that it is active at 200 military bases in Iran and that it has won the allegiance of thousands of soldiers and airmen who joined the services under the shah.

Such claims cannot be proved. Western intelligence sources point out, however, that soon after the war with Iraq began, the Khomeini regime began to form the Revolutionary Guards. This was interpreted as an attempt to assemble military units whose loyalty to Ayatollah Khomeini would never be questioned.

It didn't matter whether they were good soldiers or not," a Western military expert on the war said, "as long as they followed Khomeini and his mullahs blindly."

How are we to assess the National Council? Those who remember World War II will recall the glowing propaganda spread out in London about various resistance groups. When the Allies invaded Normandy and later swept across France and Belgium, they found that resistance help was minimal at best.

The most that can be said about Iranian resistance is that it does exist, that it is getting increased support — especially from the Arab world that fears a Khomeini victory — and that it is amply financed, mostly from Iranian sources.

The resistance, consequently, must be considered a factor in the war situation, which is bound to become worse during this year.

Then there is the economic factor: Despite the victory at Faw and the spectacle of Iranian troops rampaging about in northern Iraq, Tehran's leaders must accept that their oil exports have been cut to around 800,000 barrels a day as a result of the Iraqi air force's attacks on the Kharg Island terminal and the important pumping station located at Ganavah.

Iraq's oil exports, in contrast, are now up to 1.7 million barrels a day and by agreement Kuwait and Saudi Arabia sell 350,000 barrels a day in Iraq's name — an indication of the Arab gulf states' continued support of Iraq in this war.

It is reasonably certain that the war has entered a new and more complex phase. Iraq appears willing to take major losses in new offensives. Iraq, because of the enemy's numerical superiority, must adopt a defensive strategy, one that has, thus far, been successful. But the resistance, a political element, and oil sales, an economic factor, are now in the picture.

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INTERNATIONAL HERALD TRIBUNE

Mrs. Aquino Inherits A Decayed Economy

By Hobart Rowen

WASHINGTON — It would be difficult to exaggerate the enormity of the economic reconstruction task facing Corason Aquino as she takes over the Philippines presidency. During the past two years, the economy has been in a state of crisis and decay, as the confidence that investors once had in the Marcos regime has evaporated.

After a decline of 4.5 percent in real growth in 1984, there was a further drop of around 4 percent last year. A slump of that magnitude, combined with an annual population growth of about 2.5 percent, means that the gross national product per capita suffered a two-year decline of an incredible 15 percent. The combined full-time and part-time unem-

ployment rate probably approaches 30 percent of the work force. Where other Asian countries survived the crisis caused by ten-fold increases in oil prices, complicated by soaring high interest rates, the Marcos regime after 1979 underestimated the depth of the ensuing world recession and embarked on a poorly designed program of public investment that created industries unable to compete in world markets.

What makes the two-year stretch of negative economic growth even worse is the harsh reality that the Philippines was a poor country to begin with, with not much room — except for the wealthy and privileged class that enjoyed the dictatorship of Ferdinand E. Marcos — for incomes to adjust downward.

I will never forget a 1976 visit to Tondo, one of Manila's many slums, and the contrast with the posh show Mr. Marcos put on for the annual meeting of the World Bank and the 175,000 Tondo slum-dwellers then existed in a squalid room, 30 minutes from the luxury hotels reportedly owned by Imelda Marcos. The depths of human degradation — and the harassment of those who courageously brought Tondo to the world's attention — could not be covered up.

Tondo and other slums are likely to be there, not much changed, for years to come. But the difference, as Mrs. Aquino said, is that "the long agony is over." With the promise of a new democratic regime and a little luck, the Philippines should regain the confidence and the goodwill of the international lending community.

Many business leaders believe that there is enormous potential that has never been tapped in the Philippines. There exist the resources, both human and physical, for the Philippines to do as well as some of the "New Japans," once released from the corruption that drained the country for the past 20 years under Mr. Marcos.

For a long period in the 1970s, there was good economic growth, averaging around 8 percent a year, while agriculture blossomed, a self-sufficiency was generated in rice, and both electronics and textile exports boomed. But much of the population did not benefit from the high growth.

Along with the second oil shock in 1979, the country was hit by sharp drops in commodity prices, and by severe drought in 1982. Even so, Mr. Marcos might have managed, had he not decided to stifle the political opposition. Soon after Benigno Aquino's assassination in August, 1983, in which Mr. Marcos's hand was never proven, foreign banks stopped lending money, a flight of capital already under way accelerated.

Within a few months, the International Monetary Fund (IMF) was forced to declare a moratorium on a \$26-billion foreign debt.

In December 1984, after protracted negotiations, the International Monetary Fund agreed to lend Mr. Marcos about \$625 million, of which about \$405 million has been drawn. The price of the IMF loan was an additional layer of austerity. This brought down the inflation rate from the 50-60 percent range to 5 or 6 percent, but also contributed to the 1984-85 crunch that cost jobs and economic growth.

Despite the "success" of the IMF program, the Philippines debt remains at about the same level, the interest on which requires about one-third of the Philippines' export earnings. Commercial banks last year agreed on a rescheduling of debt through the end of 1986, a process that bankers now will likely be more than eager to extend to Mrs. Aquino.

The future IMF and World Bank roles are likely to be critical for Mrs. Aquino's success. The World Bank has 25 or 36 major projects in the Philippines, and total outstanding loans of about \$3 billion. The country is on the so-called "Baker initiative list" — one of 15 countries for which lending was to be increased and accelerated.

A premise of Treasury Secretary James A. Baker 3d's initiative is that a troubled country getting additional help must change its economic policies, getting in line with those of democratic, market-oriented nations.

In that connection, the American labor movement will be watching anxiously to see whether a free-labor movement can arise from the ashes of the Marcos dictatorship. American union leaders, upset with the loss of jobs to southern Korea and the Philippines, point out that under Mr. Marcos nearly all strikes were suppressed. Unshackled labor can give a new impetus both to the new democratic spirit Mrs. Aquino symbolizes, and to the recovery so desperately needed.

The Washington Post

America Is Walking a Tightrope Over the Aegean

By Andriana Ierodiaconou

This is the second of two articles.

ATHENS — The March visit to Greece and Turkey by Secretary of State George P. Shultz comes at a time of increased Soviet activity in the politics of the region.

Moscow provoked surprise and anxiety in Washington in January when it revealed a set of comprehensive proposals for solving the Cyprus problem, the single most important source of friction between Greece and its neighbor, Turkey.

The Soviet move challenged, as Moscow fully intended it should, the central role which the United States has been playing in efforts by the United Nations to end the 11-year military occupation of northern Cyprus by Turkey. For while stressing that it is taking its lead from Javier Perez de Cuellar, the United Nations secretary-general, America has been the most important behind-the-scenes player in the conflict.

Like the United Nations, the Soviet Union is anxious to prevent the permanent partition of the island between Greece and Turkey, both members of the North Atlantic Treaty Organization. However, Moscow would prefer a neutralized Cyprus. But the island's proximity to Medi-

terranean trouble spots such as Libya and Lebanon, combined with the presence on its soil of two British military bases, make Cyprus strategically important to the West. The prospect of active Soviet involvement

to place most of their hopes for a breakthrough with Rauf Denktaş, the leader of the Turkish Cypriots, on Washington and on Mr. Shultz's visit to Athens in particular. One subject Mr. Shultz is expected

to discuss in Athens is Greece's poor relations with Turkey and the destabilizing influence this has on NATO's southeastern flank.

The United States is understood to be particularly concerned about Greece's continuing boycott of alliance exercises in the Aegean. Since 1982, Greece has refused to take part in the exercises because of NATO's reluctance to include the Greek island of Lemnos, off Turkey's north-west coast, in the maneuvers. Turkey has protested that Lemnos has been militarized in contravention of the

Lausanne treaty negotiated in 1922. The Greek government has expressly linked the start of a dialogue with Ankara on resolving bilateral disputes in the Aegean to progress on the Cyprus problem. Greek Cypriots argue that the best way for Mr. Shultz to achieve the desired Greek-Turkish détente would be to take firm and decisive action to settle the Cyprus problem by bringing his influence to bear on the Turkish side.

Mr. Shultz could take on the role of broker, but this would involve America in a web of Turkish-Greek disputes, not just the Cyprus question. Alternatively, Mr. Shultz could follow Washington's strategy to date, which is that Athens and Ankara must be encouraged to solve what are essentially bilateral quarrels on their own. This is the more likely course for Mr. Shultz. America feels that active involvement in the dispute would risk alienating one side.

If he follows the second option, Mr. Shultz can be fairly certain of making no enemies, or at least no new ones beyond those who already exist on both sides. But he can also be certain of making no new friends.

INTERNATIONAL HERALD TRIBUNE

LETTER

Monument to Democracy

In response to the editorial "Advice on Lady Liberty" (Feb. 19): As someone who made a contribution to restore the Statue of Liberty, I definitely oppose any commercialization of Ellis Island by converting it into a culinary coliseum of ethnic foods — with pizzas, waffles, crusts and so forth.

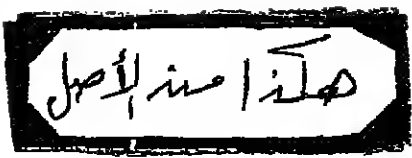
Surely the descendants of the tired, poor and tempest-tossed would like to commemorate democracy, for which they struggled and made sacrifices, by something more dignified and ennobling than the stomach to be filled and dry throat to be wetted with beer and wine.

Why not make Ellis Island the Pantheon of democracy? Here that one can see democracy stand impregnable, unmarred by the hand of New World.

ARPAID KARAKAYI, Budapest

Financial market data including stock prices, bond yields, and currency exchange rates. Includes sections for 'Last Week', 'Index Values', and 'Currency Values'.





EUROBONDS

Bond Rallies May Indicate End of Era of High Rates

By CARL GEWIRTZ

International Herald Tribune

PARIS — The era of record-high real interest rates — what's left after subtracting the rate of inflation — may have died last week. It is still too early for anyone to say for sure that investors are now prepared to accept less protection than before against a new outburst of inflation. But the stunning rally in bond prices in New York and Tokyo last week drove yields down by more than what would be justified by the declines most people anticipate in short-term interest rates.

The suggestion is that real interest rates may be declining. Such a decline, long sought by policy-makers, would breathe new life into the expansion of the economic growth rate in the industrialized countries. High real interest rates stiffen industrial investment. All during this decade, inflation-adjusted rates have hovered at around 5 to 6 percent, double the historical rate, reflecting fears that the high inflation of the 1970s might be repeated. Although inflation did abate, and interest rates did fall, the gap between the two remained.

But that may be changing, thanks to the combustible combination of declining prices for oil and the dollar. The fall in oil prices and the favorable impact this will have on reducing costs and spurring growth has been the major factor buoying bond markets for some weeks. But now the deepening slide of the dollar is adding a new dimension.

The two factors are intertwined because prices for oil and most other internationally traded commodities are set in dollars. Together, these factors should just about eliminate fears of inflation in West Germany and Japan and sharply reduce price pressures in countries such as France and Italy.

THE OTHER SIDE of the dollar's decline, of course, is the appreciation of the Japanese yen and the Deutsche mark, which will have a negative impact on the export earnings of manufacturers in those countries. Businessmen there are already screaming that the dollar's decline has gone far enough. The dollar dropped a further 3.8 percent against the Deutsche mark last week and by 1.2 percent against the yen.

That pain, and the virtual elimination of inflation has convinced investors that the West German and Japanese central banks will soon sharply cut their own leading rates in an effort to drive their domestic interest rates lower.

In New York, meanwhile, investors are certain that a drop in West German and Japanese interest rates will give the Federal Reserve the elbow room to ease its own interest rates. That would have multiple benefits: It would help revive a slowing rate of economic expansion, it would be a boost for banks saddled with a growing volume of risky loans to the ailing oil industry and farm sector, and it would be a significant contribution in easing the debt burden of the developing countries whose loans are mostly denominated in U.S. dollars.

It will take some time before it becomes clear whether last week's activity in the bond markets was a speculative binge or the harbinger of a new mood.

One New York banker, seeing a binge, said, "I'd call it a cocaine market, going from one high to another." But other professionals said they were putting their money on the fact that the markets have shifted to a new yield structure where real rates approach their historical level of 2 to 3 percentage points above the rate of inflation.

Meanwhile, borrowers seeing the lowest coupon levels in almost a decade wasted no time in rushing to the market. New York saw a record volume of \$9 billion in new issues launched last week. By contrast, the volume in the Eurobond market was subdued.

In typical fashion, the rise in Eurodollar bond prices lagged considerably behind the pace set in New York — meaning yields in the U.S. market were considerably lower than in the Eurobond market.

Unlever, whose Eurodollar bonds were initially offered in Europe at 6 basis points, or 0.06 percent, over the yield on U.S. Treasury bonds, ended the week trading at 50 basis points over Treasuries; GMAC, launched at 33 over, ended the week at 75 over; Sweden, sold at 20 over, finished the week at 36 over.

Eurobond dealers were delighted to take on inventory at these spreads, confident they would be able to unload the paper at a big profit. But the scope of the rally in New York and the lag of

(Continued on Page 11, Col. 1)

Japan Set To Sell Railroad

Bills Envisage 7 Private Units

By Sam Jameson

Los Angeles Times Service

TOKYO — The Japanese cabinet has approved five bills for submission to parliament that would denationalize the debt-ridden Japan National Railways, Japan's second largest employer, and break it up into seven private companies.

The bills, passed Friday, constitute the largest reform undertaken by the Japanese government since the end of the U.S. military occupation that followed World War II.

They include plans to dispose of \$207.2 billion in accumulated debts, to persuade 20,000 workers to accept early retirement, and to find new jobs for 41,000 others in government bodies and private industry.

Coincidentally, the reforms will split up the Kokoro, the National Railway Workers Union, which has 220,000 members and has been one of the most powerful props of the Socialist and Communist parties. After the bills were approved on Friday, both parties vowed to fight their enactment.

But passage of the bills is regarded as a foregone conclusion because of the ruling party's majority in parliament.

The plan calls for establishment, on April 1, 1987, of six passenger rail companies and a freight company. Of the 276,000 workers that JNR expects to have on its payroll at that time, only 215,000 would be employed by the new companies.

Thousands of workers would be reassigned to jobs far from where they now live. Counting dependents, about 800,000 people would be affected.

Three of the new companies will assume \$63.3 billion of JNR's long-term debt, and a liquidation corporation will be charged with disposing of the remaining \$143.9 billion. The corporation is expected to sell off land valued at more than \$28 billion, but at least \$92.8 billion of the debt, which dates back to 1964, is expected to be paid with taxpayers' money.

The smallest of the new companies, the Shikoku Railway, is expected to employ 5,000 workers and have sales of \$238.9 million a year. The largest, the Tokyo area's East Japan Railway Co., is expected to employ 89,000 workers and have sales of \$7.8 billion.

At the instruction of Prime Minister Yasuhiro Nakasone, the proposed legislation provides for the new companies to engage in non-railway business, and this is expected to enable them to operate in the black eventually.

Initially, the new companies would have the status of "special corporations." The government would hold all the shares until operations are firm, then all the shares would be sold to the public.

JNR has annual revenues of \$16.7 billion. Lines in remote areas, forced on it by parliament over the years, have produced operating deficits of up to \$9.3 billion a year.

Murdoch Says Union Battle Is Over

Claims Printers Contributed to Own Defeat

By Joseph Lelyveld

New York Times Service

LONDON — Never has a potentate under siege appeared so relaxed and pleased with himself.

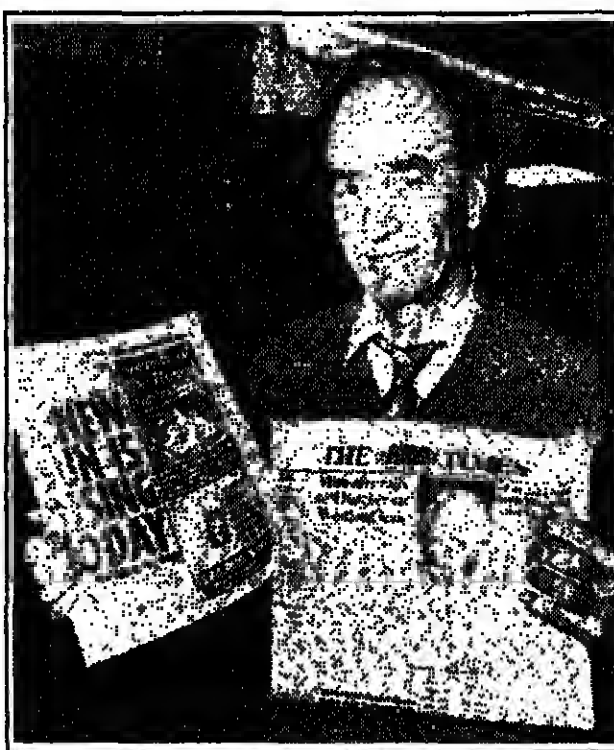
Rupert Murdoch still sits behind rolls of barbed wire and high steel gates at "Fortress Wapping," as the new headquarters of his British newspaper empire has been dubbed. Mr. Murdoch consolidated there on the banks of the Thames in the face of a strike by 5,800 print and other workers.

But having maintained nearly complete press runs without the strikers for five weeks, he is past the point of gloating or claiming victory. Whatever the pickets outside may think, in his own mind he has won.

The pickets at the gates are locked out — forever, he says — and so, for all practical purposes, are the once-mighty unions that have long dictated terms to Fleet Street press moguls. For more than a generation, the unions told them how many papers they would print, how they would print them, with how many unneeded or fictitious "ghost" workers claiming overtime, even, on occasion, setting limits on what they would be allowed to say.

As if that were not enough, the Trades Union Congress, the exalted high command of what was Europe's most powerful labor movement before Prime Minister Margaret Thatcher's new labor laws began to bite, has had to save itself from fragmenting by ordering the unions involved not to negotiate with Mr. Murdoch; in effect, licensing him to operate his four papers on a nonunion basis, at least for the duration.

Now, two weeks before his 55th birthday and less than one week before he is due to take possession of the six Metrodemia television stations in the United States, the Australian-born Mr. Murdoch presents himself as free and clear in what has been his



Rupert Murdoch with two of the first newspapers printed with new technology at his Wapping printing site.

empire's most profitable outpost. The closing of the Metrodemia agreement, scheduled for Thursday, will follow by two days the inauguration here of a new national daily called Today, the brainchild of Eddie Shah, the owner of a string of provincial papers.

Throwing down the gauntlet to the established newspapers, Mr. Shah saw an opportunity to dispense with the old print unions by producing his newspaper with the technology, new to Britain but in use in the United States for years, that enables an editor to set type by simply pressing a button on a video terminal.

The Shah experiment was expected to signal the start of a long-stalled newspaper revolution. But Mr. Murdoch got there first. With Wapping, the man who controls 30 percent of the newspaper circulation market in Britain, by far the largest chunk

of the market, has demonstrated that it was not impossible for the old "titles," the established papers, to steal a march on the unions.

The ramifications for the heavily competitive British newspaper world and for his big American interests are just coming into focus. But Mr. Murdoch is not coy about putting a dollar figure on the value of his feat of so-called "demonization."

In the next fiscal year, beginning July 1, he says, it should amount to an additional \$80 million in cash flow for News International, the British subsidiary of News Corp., his main holding company.

If that projection proves correct, the increased earnings could become an important part of the answer to those who have been wondering how Mr. Murdoch planned to carry the huge debt burden, totaling almost \$3 billion, that he took on to pay for

(Continued on Page 13, Col. 5)

U.S. Economy Remains Strong, Purchasers Say

The Associated Press

NEW YORK — The U.S. economy remained strong in February, with new orders at the highest level in 20 months and production up for the second consecutive month, the National Association of Purchasing Management said Sunday.

The purchasing managers' report said, however, that employment fell after a significant increase in January. In addition, the report said that prices edged down, marking the 15th consecutive month that prices had declined or remained the same.

The group's seasonally adjusted composite index, which is based on a survey of purchasing managers at 250 industrial companies, fell to 50.9 percent in February from 52.4 percent the previous month.

February was the sixth consecutive month that the index registered above 50 percent. Such a reading indicates that the economy is in an expanding phase, while a reading below 50 percent means that the economy generally is declining, according to the association, whose members oversee buying by corporations.

"The strength in production and the sustained growth in new orders virtually assures a good first quarter," said Robert J. Brez, chairman of the association's business survey committee and director of purchasing and distribution for Finney Bowes Inc.

"However, the decline in the purchasing managers composite index suggests caution as we enter the second quarter," Mr. Brez added.

The purchasing managers' statistics follow the latest government estimate of growth in the gross national product for the fourth quarter of 1985, which was revised sharply downward on Feb. 20 to 1.2 percent. GNP measures the total value of goods and services produced by a country's economy.

The purchasing managers' report said that the significant increase in new orders in January grew even larger in February. Thirty-five percent of the purchasing managers

University Sees Robust Growth For U.S. in '86

Reuters

DETROIT — The drop in oil prices should contribute to "very healthy" growth in the U.S. economy over the next two years, University of Michigan economists said in their annual economic forecast released Sunday.

Assuming oil prices at or around \$16 per barrel, the study said, inflation-adjusted growth in gross national product was expected to be at a 4.2-percent annual rate in the current quarter, 6 percent in the second and 4.6 percent in the third.

Growth was expected to dip to 2 percent in the fourth quarter, however, due to cuts in federal spending triggered by the balanced budget law.

In 1987, the study said, inflation-adjusted GNP would expand by between 3.5 percent and 4.5 percent.

The economists predicted that the unemployment rate would decline to 6.25 percent by the end of 1986 and 5.9 percent by the end of 1987 from 6.7 percent now.

In a separate survey, however, the university's Institute for Social Research found that U.S. consumer optimism had "lost its upward momentum." The survey of 2,000 families indicated that growth in retail spending was likely to slow in 1986.

surveyed reported a rise in new orders, for the highest total since June 1984, when 37 percent did. The 12 percent indicating that new orders had slowed was the lowest level since April 1984, when 6 percent did.

January's brisk expansion to production continued in February, the report said. The 31 percent reporting higher production was unchanged, but the 15 percent saying output had declined was a drop of five points from January.

The decline in prices in February was triggered by an overwhelming number of purchasers reporting lower prices for fuel oil, gasoline and petroleum products.

There has been little change in the speed of vendor deliveries since September 1985, the association said. A slowdown in deliveries indicates a company is getting orders faster than it can fill them, while an acceleration indicates a company's operations are not straining to meet orders.

The decrease in employment in February continued a declining trend that began in April 1984.

GM, Ford See Brighter Profits Outlook Overseas

By Richard Walker

Reuters

DETROIT — The two biggest U.S. automakers, General Motors Corp. and Ford Motor Co., anticipate improved business outside the United States in 1986 after several difficult years overseas.

In separate interviews, top officers at GM and Ford said they expected better profits abroad this year even though international car and truck sales may be unchanged or show little growth.

One major factor working in the automakers' favor, according to industry analysts and company officials, is the fall in the value of the dollar, which will improve results from foreign operations.

GM and Ford both have extensive international interests. Chrysler Corp., the third largest U.S. automaker, is less active outside North America.

The top two companies have fared rather differently overseas in recent times. GM posted losses of \$579 million outside North America over the last four years while Ford made profits of more than \$1.36 billion, although this was still well down from previous peaks.

Analysis and executives agreed that the major battleground for added profits from abroad would be the European market, where there are four other major producers — Fiat SpA, Volkswagen AG, Renault and Peugeot SA.

The struggle for vehicle sales has made the market "kind of hand-to-mouth" in Britain and West Germany, GM's chairman, Roger B. Smith, said in an interview last week.

A few years ago, Europe was Ford's major profit center. Annual earnings there ran as high as \$1 billion even as, at home, losses were running into many billions of dollars.

But Ford's European profits have declined. Its president, Harold A. Poling, said Ford consciously allowed itself to slip from car sales leadership in Europe last year by "backing off of our heavy marketing."

Instead of aiming for top market share, Ford boosted the profits on

each car sold by cutting marketing and financial incentives.

The result was that Ford's European profits rose to \$326 million last year from \$147 million in 1984, Mr. Poling said.

He said he expected Europe to do even better in 1986 with total industry car sales projected at "10.4 million or better," up from an estimated 10 million last year.

GM's losses in Europe last year widened to \$372 million from \$291 million in 1984, although officials said the company's car business there showed considerable improvement from the previous year.

"Our truck operations have been like a wet sponge," a GM official explained. He said that profitability was further harmed by GM's European components factories.

Mr. Smith said GM, which has lost almost \$900 million in Europe since 1982, was still investing heavily in its West German subsidiary, Adam Opel AG, and expected its European capital spending in 1986 to be about \$1.3 billion.

Last month, GM formed a Zurich-based unit to direct its European car business. The company is trying to buy the truck and Land Rover divisions of BL PLC, and has acquired majority ownership in Group Lotus PLC.

Last Week's Markets

All figures are as of close of trading Friday

Table with columns for Stock Indexes, Money Rates, and Currency Rates. Includes sub-tables for United States, Britain, Hong Kong, Japan, West Germany, and Gold.

Ozark Air Agrees to Buyout By TWA for \$250 Million

The Associated Press

NEW YORK — Trans World Airlines is to acquire Ozark Air Lines for \$250 million in cash under a merger agreement signed over the weekend, a TWA spokesman said.

The agreement was signed Saturday in St. Louis, Missouri, where Ozark has its headquarters. Under the merger agreement, Ozark stockholders would receive \$19 in cash for each of 13 million shares outstanding.

Ozark shares closed Friday on the American Stock Exchange at \$17.625, down 37.5 cents. TWA, trading on the New York Stock Exchange, closed up 50 cents at \$16.50.

The merger is subject to the approval of Ozark's shareholders and the Department of Transportation, a TWA spokesman said. He said government approval could take between three and six months.

TWA's chairman, Carl C. Icahn, has said the merger will give TWA facilities and smaller aircraft it could not have gotten any other way. TWA, which has its base of operations in Kansas City and executive offices in New York, owns 165 aircraft while Ozark owns 50, the spokesman said.

TWA, the fourth-largest U.S. airline, was taken over by Mr. Icahn last year. The carrier, one of the high-cost U.S. lines that have suffered from the intense competition provoked by the deregulation of the airline industry, had a loss of \$193.1 million in 1985.

Note to shareholders of U.S. TREASURY INCOME FUND. The Board of Directors of Eurofund Management (Luxembourg) S.A. has resolved, with the agreement of the Custodian, Banque Paribas (Luxembourg) S.A., to dissolve U.S. Treasury Income Fund with effect from 21st February, 1986...

Hunter Douglas advertisement. This announcement appears as a matter of record only. Hunter Douglas N.V. Rotterdam, The Netherlands. Dfls 50,000,000 7% Bearer Notes 1986 due 1991. Messrs. Shareholders are hereby convened to attend the Annual General Meeting which will be held on 12th March, 1986 at 11.00 o'clock at the Company's registered office with the following agenda: 1. Presentation of the Reports of the Board of Directors and of the Statutory Auditor. 2. Approval of the balance sheet, profit and loss account as of November 30, 1985 and the allocation of net profits. 3. Declaration of a dividend. 4. Approval of the remuneration of Directors. 5. Discharge of the Directors and the Statutory Auditor for the fiscal period ended November 30, 1985. 6. Action on nomination for election of Directors and a Statutory Auditor for the ensuing year. 7. Any other business which may be properly brought before the Meeting.

Table with columns for Cross Rates and Other Dollar Values. Includes sub-tables for Cross Rates and Other Dollar Values.

New Eurobond Issues

Compiled by Lawrence Desvilletas from information supplied by European bond traders.

Table of Eurobond issues with columns for Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Includes sections for Floating Rate Notes, Fixed-Coupon, and Equity-Linked.

Profit-Taking Moderates Bond Rally

By James Stremgold. New York Times Service. NEW YORK — Profit-taking slanted gains late last week in the bond market...

U.S. CREDIT MARKETS

caused some traders in the interest-rate futures markets in Chicago to move to the sidelines temporarily. "It was a wild opening, totally out of control," said Robert Buncher...

Non-U.K. Banks Dominant in Hanson PLC Credit

By Carl Gewirtz. International Herald Tribune. PARIS — A £1-billion syndicated credit, billed as the largest yet put together for a U.K. company...

INTERNATIONAL CREDIT

range the credit were not revealed, although it was rumored that to draw the loan the company would pay an initial margin of 1/4-point over the interbank rate...

known by mid-month. The prominent role played by foreign banks in providing the credit to Hanson is assumed to be linked to the contested nature of the bid...

two years and 3/4-point over there after. Algeria has stirred controversy in the market by raising a \$300-million, 10-year loan...

The rebuffed European lenders resent what they call the muscle power of the Japanese banks in doing business at terms the Europeans reject...

Mitsui Bank's \$150-million, five-year facility of CDs denominated in dollars is being underwritten. Mitsui is paying an annual facility fee of 6 1/4 basis points...

Latin Group Would Back Debt Cuts

By Keith Grant. Reuters. PUNTA DEL ESTE, Uruguay — Latin American debtor nations took a step toward easing their debt burden by indicating that it was permissible for a debtor country to reduce its interest payments...

The Cartagena group's five-nation monitoring committee ended a one-day meeting Saturday with an agreement to back countries that might take emergency steps to reopen existing debt accords...

He said that while Latin America wanted to work with creditors, the current decision went beyond earlier group decisions in establishing a process for member countries to renegotiate debts with strong regional backing.

Argentina's economy minister, Juan Sourrouille, said the group would support decisions by countries to reduce their interest payments unilaterally if it was consulted beforehand.

He said that while Latin America wanted to work with creditors, the current decision went beyond earlier group decisions in establishing a process for member countries to renegotiate debts with strong regional backing.

Japan Tells U.S. It's Time to Join In Cutting Rates

TOKYO — Japanese officials told U.S. officials during talks in Tokyo that Japan would welcome a concerted cut in interest rates, a Foreign Ministry spokesman said over the weekend.

"This is an opportune time for a reduction in interest rates," he said Saturday. The two days of talks were led by the U.S. under secretary of state for economic affairs, W. Allen Wallis, and Japan's deputy foreign minister, Reishi Teshima.

Mr. Wallis said the U.S. side told the Japanese that the United States expected steady economic growth. He reported that the Japanese had said their target of 4-percent growth for the year starting in April should be met, helped by lower oil prices.

However, the Foreign Ministry official said, the Japanese warned that the oil-price slump could swell Japan's surplus on current account by reducing the cost of imports. Current account is a broad measure of a country's trade position that covers trade in goods and services as well as remittances.

Record Rates Appear Moribund

(Continued from Page 9) demand for dollar paper in Europe kept widening the spreads and appeared to exhaust the capacity of dealers to keep adding to their inventory.

ing \$150 million of five-year notes, also priced at 10 1/4, bearing a coupon of 8 1/2 percent.

Cargill, a private company that has never registered an issue with the U.S. Securities and Exchange Commission, sold \$100 million at par bearing a coupon of 9 1/4 percent. This paper, callable after 20 years at par, ended the week at 97 3/4.

EC Farm Spending Shoots Up As Result of Dollar's Decline

BRUSSELS — The fall of the dollar has been hailed by European Community finance ministers, some of whom went on television in their countries last week to note the beneficial effect it would have on inflation and possibly on interest rates.

Since September, the dollar's fall is estimated to have cost the EC around 1 billion ECU and pushed up estimated 1986 farm spending by 750 million ECU.

For Bergan Bank the sliding coupon means it will have paid about 40 basis points over current Treasury yields for its five-year money, a saving of about 25 basis points. The funds were swapped into floating rate money at an estimated 20 basis points below the London interbank offered rate.

U.S. Consumer Rates For Week Ended Feb. 28

Table of U.S. Consumer Rates including Postbox Savings, Tax Exempt Bonds, Money Market Funds, etc.

SELECTED U.S./B.T.C. QUOTATIONS

Table of selected U.S./B.T.C. quotations for Apollo Corp., Mr. Gosket, Bitter Corp., etc.

NOTICE TO HOLDERS OF ITO-YOKADO CO., LTD.

5% Convertible Debentures Due August 31, 1995. 5% Convertible Debentures Due August 31, 1996.

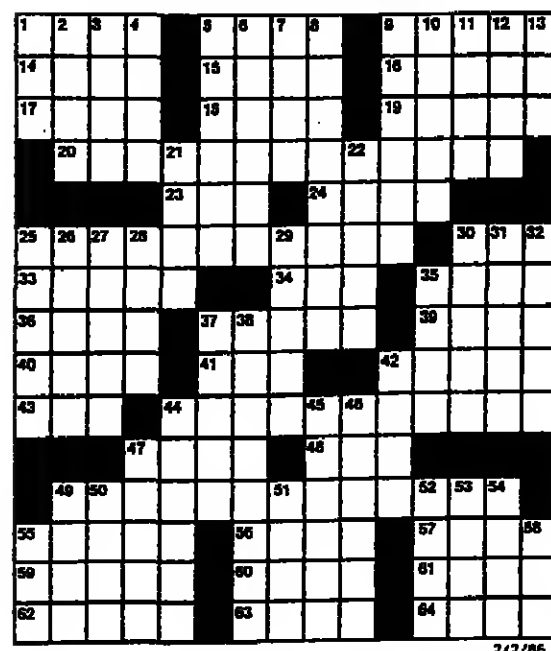
ITC-YOKADO CO., LTD. By: The Bank of Tokyo Trust Company as Trustee

Date: March 3, 1986

ADVERTISEMENT THE DAI-ICHI KANGYO BANK LTD. (CDRs)

The Board of Directors of the Dai-ichi Kangyo Bank Ltd. announced that shareholders, who will be registered in the books of the Company on March 31st, 1986 (Tokyo time) will be entitled to receive a 5% free distribution of shares of its common stock.

Advertisement for THE NATIONAL COMMERCIAL BANK. Includes Arabic text 'البنك الأهلي التجاري', a balance sheet as of 29th Zil Hjjah, 1405H (14th September, 1985), and a profit and loss account for the same period.



- ACROSS**
- 1 Trevino's game
 - 5 Sullinger girl
 - 9 Red dye
 - 14 Seed covering
 - 15 Shoot the breeze
 - 16 Extreme
 - 17 Tibetan monk
 - 18 Snappish
 - 19 Prospector's deed
 - 20 She played Mrs. Pynchon in "Low Grant"
 - 23 "The Hair" O'Neill
 - 24 All—(listening)
 - 25 Tchaikovsky's Opus 31
 - 30 Franklin's 1936 opponent
 - 33 Embellish
 - 34 Lunched
 - 35 Line the inside
 - 36 Hub of a wheel
 - 37 Buffalo Bill's kin
 - 39 Gaze at amorously
 - 40 S-shaped molding
 - 41 Rubber tree
 - 42 Disney's middle name
- DOWN**
- 43 Crimson
 - 44 George Eliot novel
 - 47 Days of yore
 - 48 Hebrew high priest
 - 49 Together, "song of the 30's"
 - 55 Puce or peach
 - 56 Castle ditch
 - 57 Harvest—acids
 - 60 Villa d'—
 - 61 Elizabeth or Robert
 - 62 Eucharistic plate
 - 63 March plant
 - 64 KO blow
 - 1 Liq. measure
 - 2 Algerian city
 - 3 City or bean
 - 4 Pastry
 - 5 Reproduction
 - 6 Disgraces
 - 7 Remarkable variable star
 - 8 Prayer
 - 9 Card game
 - 10 Earthenware
 - 11 Musial or Kenton
 - 12 Spring plant
 - 13 Mfr.'s org.
 - 21 Lyricist
 - 22 Bats' homes
 - 23 Landed estate
 - 24 Proverb
 - 27 Wandered
 - 28 Mont. Indian
 - 29 Put on cargo
 - 30 Norse sea god
 - 31 Fragrant shrub
 - 32 Butler's "The Way of All"
 - 35 Fountain drink
 - 37 Piece of armor plate
 - 38 Veteran
 - 42 Jammings of films
 - 44 Mark over a vowel
 - 45 Official emissary
 - 46 On cloud nine
 - 47 Apt
 - 48 N.Y.C. art mecca
 - 50 Dismounted
 - 51 Pry
 - 52 Church calendar
 - 53 Sign light
 - 54 Storm
 - 55 Tam
 - 58 —annum

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DENNIS THE MENACE



"HOW DO THEY COME UP WITH JUST ENOUGH WORDS TO FILL THE NEWSPAPER EVERY DAY?"

JUMBLE THAT SCRAMBLED WORD GAME

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

YAPOS

RYHUR

FLEEBI

CTILE

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: **HORN**

Friday's Jumble: **NOISE ENACT COOPER BROOCH**
Answer: In heavy traffic, there's always someone trying to do this—HORN IN

WEATHER

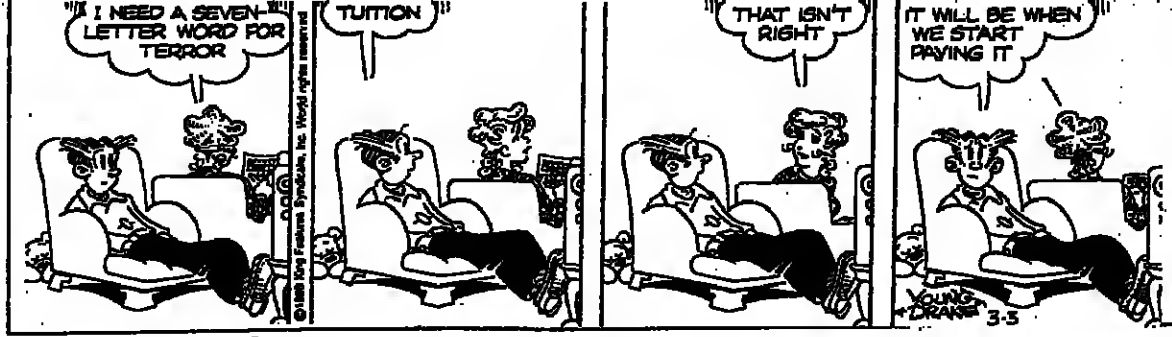
EUROPE		ASIA		NORTH AMERICA	
High	Low	High	Low	High	Low
Algeria	10-16	Beijing	25-30	Atlanta	57-67
Amsterdam	10-16	Bombay	25-30	Boston	57-67
Antwerp	10-16	Calcutta	25-30	Chicago	57-67
Berlin	10-16	Colombo	25-30	Dallas	57-67
Birmingham	10-16	Hankow	25-30	Denver	57-67
Bombay	10-16	Kobe	25-30	Detroit	57-67
Buenos Aires	10-16	Manila	25-30	Houston	57-67
Cardiff	10-16	Osaka	25-30	Los Angeles	57-67
Chicago	10-16	Seoul	25-30	Memphis	57-67
Cincinnati	10-16	Singapore	25-30	Minneapolis	57-67
Cleveland	10-16	Taipei	25-30	Miami	57-67
Columbus	10-16	Tokyo	25-30	Mobile	57-67
Dallas	10-16			Montgomery	57-67
Denver	10-16			New Orleans	57-67
Detroit	10-16			Omaha	57-67
Edinburgh	10-16			Philadelphia	57-67
Frankfurt	10-16			Pittsburgh	57-67
Geneva	10-16			Portland	57-67
Hamburg	10-16			Raleigh	57-67
Helsinki	10-16			San Antonio	57-67
London	10-16			San Diego	57-67
Madrid	10-16			San Francisco	57-67
Moscow	10-16			Seattle	57-67
Munich	10-16			St. Louis	57-67
Nairobi	10-16			Tampa	57-67
Paris	10-16			Washington	57-67
Prague	10-16			Wichita	57-67
Rangoon	10-16				
Reykjavik	10-16				
Rome	10-16				
Salt Lake City	10-16				
San Francisco	10-16				
Sao Paulo	10-16				
Seattle	10-16				
St. Louis	10-16				
Taipei	10-16				
Tokyo	10-16				
Washington	10-16				
Yokohama	10-16				

MONDAY'S FORECAST - CHANNEL: ST. LOUIS: Partly cloudy, 57-67. NEW YORK: Partly cloudy, 57-67. PHOENIX: Partly cloudy, 57-67. SAN FRANCISCO: Partly cloudy, 57-67. WASHINGTON: Partly cloudy, 57-67.

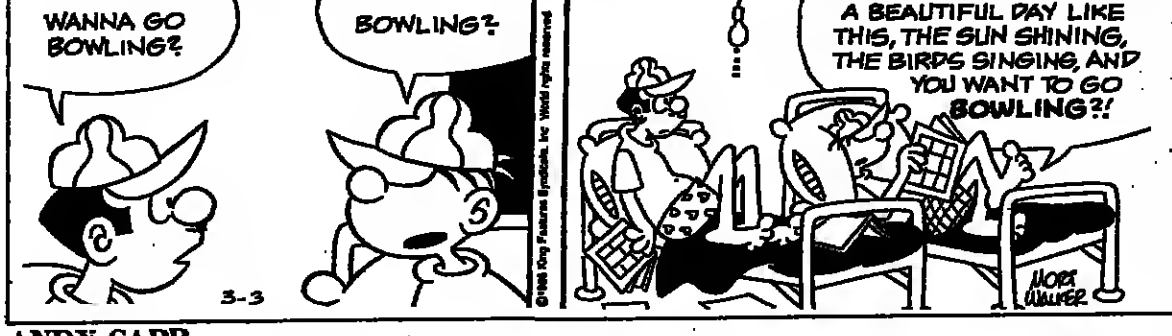
PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



SPORTS BRIEFS

Rose, Bean Share the Lead in Florida Golf

CORAL SPRINGS, Florida (UPI) — Clarence Rose shot a par-72 in extremely poor playing conditions Saturday — the wind whipping up to 45 mph (73 kph) after a cold front made the temperature very chilly — and tied Andy Bean for the lead going into the final round of the Honda Classic golf tournament.

"I hit some ugly shots out there, and got away with it," said Rose, who was at 215 for three rounds after starting the day tied for 15th. "You had to make up shots out there. You had to just hit and hope."

Bean struggled to a 77 and had to birdie his final hole to tie Rose. Payne Stewart shot a 73, and was at 216. Kenny Knox, who led after two rounds, shot an 80 and was tied for third with Jodie Mudd, two shots behind the leaders. On Friday, Knox followed a double-bogey with birdies on his last two holes for a 71 and a one-shot lead. He had a two-round total of 137, one stroke ahead of Bean.

Snow Chief Easily Wins Florida Derby

HALLANDALE, Florida (NYT) — Snow Chief and Badger Land, who finished first and second in the El Camino Real Derby in San Francisco four weeks ago, came across the United States to repeat that effort Saturday in the \$500,000 Florida Derby at Gulfstream Park.

Snow Chief beat Badger Land easily, this time by 1 1/2 lengths, and the two Californians humiliated the best 3-year-olds that Florida could offer. Badger Land was five lengths ahead of Mogambo, who beat the long shot Regal Dreamer by a neck for third. The rest of the 16 runners were strung out the length of the stretch.

Snow Chief's victory confirmed him as the early favorite for the Kentucky Derby, but his moderate time of 1:51.80 for a mile and an eighth reinforced the sense of mediocrity in the division this year, and his final eighth of a mile, covered in a slow 13.80 seconds, suggested that he might find the mile-and-a-quarter Derby distance a bit taxing.

First All-Black U.S. Title Team Honored

EL PASO, Texas (AP) — A halftime ceremony at Saturday's Texas-El Paso-Hawaii basketball game honored members of the 1965-66 team from Texas Western, now UTEP, that was the first to start an all-black team in a U.S. college national championship game.

The Texas Western Miners won the title, 72-65, by defeated Kentucky, a team starting all white players.

"That game 'more or less' upgraded intercollegiate athletics," said Harry Flournoy, one of the starters for the Miners in 1966. "I'm not so sure it was the single event that integrated collegiate athletics, but I know it changed the way basketball was played, period."

Coach Don Haskins recalled the pressure put on him for starting an all-black team in the championship game and said, "Our publicity was all bad. I don't recall reading any complimentary articles about it. I received 10,000 hate letters from the South and got heat from black leaders who said I was an exploiter."

Quotable

George Foster, the New York Mets' outfielder who normally is among spring training's late arrivals, on why he reported to camp last week: "It was cold in Connecticut and raining on Maui."



SNOWBALL — Kevin Moran of Manchester United, left, and Steve Moran of Southampton had to battle the snow as well as each other during their First Division soccer match Saturday in Southampton, England. Southampton triumphed, 1-0.

Little Webb's Big Revival Helps Hawks

Los Angeles Times Service

ATLANTA — The little guy made amends Saturday night. Spud Webb, the 5-foot-7-inch (1.70-meter) guard, got 16 points and nine assists in 26 minutes of playing to lead the Atlanta Hawks to a 116-108 victory over the San Antonio Spurs.

He scored nine of his points in the fourth quarter, six in the last 43 seconds, and the Spurs went down to their sixth straight defeat.

Friday night in Pontiac, Michigan, Webb had tried to guard Isiah Thomas, the Detroit Pistons' 6-1

BOOKS

A WIDER WORLD: Portraits in an Adolescence.

By Kate Simon. 186 pages. \$14.95. Harper & Row Publishers Inc., 10 East 53d Street, New York, N. Y. 10022.

Reviewed by Michiko Kakutani

IN "Bronx Primitive" (1982), her first volume of memoirs, Kate Simon created an indelible portrait of immigrant life in New York before World War I and introduced a wonderfully spirited heroine — herself. Headstrong, curious, at once terrified and dazzled by the exigencies of life around her, little Kalla — or Kate, as she's soon called — possesses the quick, intuitive intelligence of Anne Frank and the artistic yearnings of the young Mary McCarty (in "Memories of a Catholic Girlhood"). The end of the earlier volume sees her poised, at the age of 13, on the brink of womanhood and independence.

Now, in "A Wider World," Simon takes up the story of Kate's adolescence, giving us a portrait of the author as a young rebel — an eager would-be artist, by turns willful and hesitant, insecure and proud. Babysitting for a wealthy, cultured couple named the Bergsons, Kate listens to them invoke such magical names as Martha Graham, Alfred Stieglitz and James Joyce, and she dreams of one day inhabiting that same exalted, magical world.

She spends hours greedily reading Eliot and Pound, in the warm sanctum of the 42d Street Library, moons over romances with young tubercular poets like Keats, and spins daydreams of herself as Joan of Arc, Candide, Fortia, George Eliot. She plays Hedda Gabler in drama class, twisting a long string of borrowed beads and rapturously smoking one cigarette after another, and after being flunked in French, indignantly wonders how her teacher can "humiliate Sarah Bernhardt because she stumbled occasionally on the stupid pebbles of the plus-que-parfait."

Being a bona fide artist, Kate tells herself at age 15, means being eccentric, and she accordingly concocts an appropriate persona. She takes to wearing a long gray raincoat, a gold Borsalino hat and gypsy earrings, pitches her voice low and deep, and affects a "slow, stately stride (as stately as five feet two inches would

allow), with my eyes fixed poetically on a far horizon." She begins to stay out late at night and has "a monumental fight" with her parents about her "monstrous" behavior. Kate argues that she "was a great woman, an artist, a heroic world spirit" — her mother contending that the dancer "was a bohemian bum who drank too much and had too many lovers."

If Simon tries and sometimes even succeeds in appearing sophisticated beyond her years, however, the extravagant poses more often belie a schoolgirl's insecurities and fears. A trip to see the forbidden nightlife of Harlem turns into a frightening nightmare when the flirtatious but still virginal Kate finds herself propositioned by a menacing stranger, and a visit to a leftist community in Connecticut dedicated to "free love" similarly ends in a narrow escape. In fact, while Simon's live-in arrangement with a boy named Davy leads her classmates to portray her as an "utterly uninhibited sexpot and total free spirit" — this is the 1930s, after all — their relationship actually remains uncommitted for years, both of them being too shy to acknowledge or test their own boundaries.

Having left home at the age of 15 or so to escape the demands of her tyrannical father, Simon spends much of her adolescence seeking out new friends and surrogate parents — people who will give her the intellectual encouragement and emotional sustenance she lacks at home.

Indeed, in "A Wider World," we gradually see emerging, between all the girlish escapades, the sensibility of a writer: The watchful child, who has witnessed so many splits between her parents, slowly gives way to a girl practiced in the defensive skills of detachment and observation. And in time, she is superseded by Simon the writer, who has learned to use her perception not only to guard her heart but to understand the dreams and fears of others.

Of her attempts to amuse an old lady with story-telling, she writes: "I remembered for her and described the shapes and colors and brab! had seen in the crowded communal dressing room of Klein's and the eager-eyed girls who sat on ladders to watch for the thieves who put on one new dress over another and their own old dress over the new, obscured acquisitions, then waddled out carrying nothing, paying nothing if they weren't caught. Bringing to my old lady these gifts to color her narrow life was my first experience of prolonged, voluntary, solicitude, and a pleasing one."

Given Simon's gifts as a travel writer — she has written extensively and eloquently of London, Paris, Rome and New York — "A Wider World" becomes a portrait of a specific time and place as well as a memoir of an adolescence. It is a time of innocence and ambition, of noisy possibility and hectic optimism, a time when teen-agers gleaned information about love and sex from Havelock Ellis and Krafft-Ebing, when people used words like "sultans," "bohemians" and "reefers." And as set down in "A Wider World," these memories move us not with the faded, antique charm of dog-eared photos in an album, but with the hard, bright passions of real life.

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott

ONE of the principal advantages of the negative double is the definition it gives to other bids when it is not used.

An example is the situation that arises when a minor-suit opening is overcalled with a bid of one heart. In the most popular style, a negative double promises exactly four spades, and a bid of one spade indicates at least a five-card suit.

This distinction can be very valuable, especially if the auction is crowded. It would certainly have helped North-South on the diagrammed deal.

South bid his spades on the first round, hoping for an opportunity to support clubs later. A negative double, using the modern style, would have solved the problem. As it was, North could not tell whether

BRIDGE

Both sides were vulnerable. The bidding:

North (D): 1♠, 2♣, 3♠, 4♠, 5♠, 6♠, 7♠, 8♠, 9♠, 10♠, 11♠, 12♠, 13♠, 14♠, 15♠, 16♠, 17♠, 18♠, 19♠, 20♠, 21♠, 22♠, 23♠, 24♠, 25♠, 26♠, 27♠, 28♠, 29♠, 30♠, 31♠, 32♠, 33♠, 34♠, 35♠, 36♠, 37♠, 38♠, 39♠, 40♠, 41♠, 42♠, 43♠, 44♠, 45♠, 46♠, 47♠, 48♠, 49♠, 50♠, 51♠, 52♠, 53♠, 54♠, 55♠, 56♠, 57♠, 58♠, 59♠, 60♠, 61♠, 62♠, 63♠, 64♠, 65♠, 66♠, 67♠, 68♠, 69♠, 70♠, 71♠, 72♠, 73♠, 74♠, 75♠, 76♠, 77♠, 78♠, 79♠, 80♠, 81♠, 82♠, 83♠, 84♠, 85♠, 86♠, 87♠, 88♠, 89♠, 90♠, 91♠, 92♠, 93♠, 94♠, 95♠, 96♠, 97♠, 98♠, 99♠, 100♠.

Slalom Title Is Clinched By Petrovic

Compiled by Our Staff From Dispatches

GEILO, Norway — Rok Petrovic of Yugoslavia clinched the 1986 slalom title Sunday in the final World Cup slalom in Europe this season. Ghotzer Mader of Austria won the race, for his first World Cup victory, and Firmin Zurbriggen of Switzerland gained ground on the overall World Cup leader, Marc Girardelli of Luxembourg.

Petrovic, 20, wrapped up his and Yugoslavia's first season title in the morning run, when Ingemar Stenmark of Sweden straddled a giant.

Mader, 21, who had not won in four World Cup seasons, won his 11th minute 40.66 seconds, beating Paul Frommelt of Liechtenstein by 0.31 seconds.

Petrovic finished third in 1:41.55 and Zurbriggen was fourth in 1:41.50. Going into next week's races in Vail, Colorado, Girardelli leads Zurbriggen by 279 points, to 218 in the overall standings.

In Furano, Japan, Lina Savjari of Canada, a five-year veteran of World Cup skiing, won her first race Sunday, a super-giant slalom.

On Saturday in Furano, Maria Walliser, 22, of Switzerland won her second downhill of the season. She was timed in 1 minute 19.92 seconds for the 2,340-meter (2,530-yard) course, with Brigitte Oerli of Switzerland second.

Savjari, 22, covered the 1,839-meter slalom course in 1 minute 20.43 seconds. Sigrida Winkler of Austria was second in 1:21.04, and Paul Fletcher of the United States was third in 1:21.09. Walliser, the overall leader, placed 234 while Evika Hess of Switzerland, her closest pursuer, was ninth and closed her margin in the standings to 231-187.

College Results

AP, APB

SPORTS

France Defeats Wales By Record 23-15 Score; England Edges Ireland

By Bob Donahue International Herald Tribune
CARDIFF, Wales — A crazy bounce, a Gallic pass and a long spurt produced a try that made rugby history Saturday. Serge Blanco dove across in the left corner, Guy Laporte converted and France had 23 points — its biggest score against Wales in their 59 matches since 1908.

FIVE NATIONS RUGBY

conversions. The Welsh contribution to the 23-15 score was five penalty goals by Paul Thorburn. At England's home field in Twickenham, plucky Ireland was crushed in the scrums and starved of the lineouts, but the Irish scrambled to three tries and were never out of the reckoning. England, which had gone tryless in its first two matches, managed four — three from advancing scrums — and won the match, 25-20.



Center Philippe Sella springing into attack as France pranced to a record 23-15 victory over Wales in Cardiff, scoring four tries to none. Welsh flyhalf Jonathan Davies is at left.

was penalized at a lineout and Berbizier tapped the penalty. Sella and Laporte launched new center Denis Charvet on a break down the left, and left wing Eric Bonneval and Charvet put Sella across with two Welshmen on his back. Sella, for hard tackling and general fierce athleticism, was the man of the match. Three minutes into the second half, Davies mislaid to Blanco and the French fullback hoisted the ball back toward the Welsh line, sacked Thorburn and sprang back to his feet as the hall came loose. It bounced forward off Sella, Blanco kicked it across the line, Lafont beat Blanco to the plunge and the referee allowed the wing's second try. Laporte's conversion made it 17-

9 with almost a full half left. But instead of running away with the match, the French let Thorburn kick Wales back to within two points. From the 16th to the 32d minutes, with the score stuck at 17-15, Welsh scrumstruck French power and threatened to win the match. A sixth penalty goal might have done it, but Thorburn was not given the chance. When prop Philippe Marocco went over on a tapped a penalty close to the Welsh line, the referee signaled French obstruction and the try was disallowed. In several scrums the French showed Wales backward. Blanco aborted a dangerous attack by dropping the ball. It was Blanco who ended the suspense. Sella burst out of defense

Ueberroth, Citing Drugs, Disciplines 21 Players

By Thomas Boswell Washington Post Service

NEW YORK — In the sternest disciplinary action in baseball since the so-called Black Sox scandal of 1919 in Chicago, the major league commissioner, Peter Ueberroth, gave a choice Friday to seven players who, he said, had used and had facilitated distribution of illegal drugs in the sport.



Peter Ueberroth, announcing the disciplinary action.

For Andujar, Parker and Hernandez, those fines would exceed \$100,000. All seven, except Andujar, testified with immunity from prosecution at last summer's trial in Pittsburgh, in which a former caterer for the Philadelphia Phillies, Curtis Strong, was found guilty of 11 counts of distributing cocaine to major league players.

It is widely assumed in baseball that most players will choose the fines and drug testing rather than the far more costly suspensions. Such fines would be the highest by far in baseball history. Even some of the 5-percent fines would approach \$40,000. The players have until opening day, April 7, to make their decision. Ueberroth said the only one who declined to meet with him was John Milner, a first baseman for the Pirates who retired after the 1982 season. The commissioner said he had instructed all teams to have no relations with him until he agreed to discuss with Ueberroth his testimony at the Pittsburgh trial.

Ueberroth said he found "no wrongdoing" on the part of Willie Stargell, another former Pirate. Stargell had been named in testimony during the Pittsburgh trial as having illegally distributed amphetamines in the Pirates' clubhouse. Ueberroth also announced that drug testing would be taken out of the hands of individual clubs and put under the control of the commissioner's office.

Ueberroth also announced that drug testing would be taken out of the hands of individual clubs and put under the control of the commissioner's office. "Too often you hear a team say, 'We've cleaned this guy up. He's a drawing card. We need him. Put him back in the lineup,'" he said. "We should not be trying to see how fast we can get people with drug problems back in uniform... We need to cure them. If our independent doctor," Anthony Daly of Los Angeles, says, "This guy needs six months of treatment or he's got no chance," then that's what he should get."

Ueberroth divided players into three categories: those who "had a prolonged pattern of drug use" and helped others use drugs; those who only used illegal drugs; and those who had "little or no evidence of drug involvement."

Evans would not speculate on what action, if any, the Major League Baseball Players Association might take. The executive director of the union, Donald Fehr, said it would study the decision further before commenting on it. However, most of the players named said directly or hinted that they would go along. "It seems a little harsh, but I've got to talk to my people about it," Washington said. "That's all I'm going to say."

Bubka Vaults to Indoor Mark in New York

By Gerald Eskenazi New York Times Service
NEW YORK — With the crowd going "Sht" and Madison Square Garden remarkably quiet, Sergei Bubka broke his world indoor best in the pole vault Friday by gliding over 19 feet 6 1/2 inches (5.95 meters). Suddenly, the arena erupted in a standing ovation as the USA-Mobility Indoor track and field championships...

Games, he complained of the crowd noise and the crowded condition of the runway. Last week, he said the Soviet contingent had asked U.S. track and field officials to keep the crowd quiet during the pole vault.

He said the conditions Friday night were much better than they had been at the Millrose Games, and this contributed greatly to his performance. "He said he was not surprised that Olson did poorly, because, 'Some time ago, Billy told me that his leg was hurting him.'" Koch, who has won international meets in events ranging from 100 to 400 meters, shattered the world indoor best in the 220 when he easily won in 22.89. Valerie Brisscoe-Hooks, who scratched because she said she had tendonitis, had set the mark of 22.95 last Friday.

Selected College Results

Table with columns for Conference, Team, and Score. Includes sections for Friday's Results, Saturday's Results, and Tournaments.

World Cup Skiing

Table listing ski racing results for various events including Slalom, Giant Slalom, and Super-G.

SCOREBOARD

Large table containing various sports scores including Basketball, Football, and Hockey.

Basketball

Table of basketball scores for various leagues and conferences.

NBA Standings

Table showing NBA team standings by conference and division.

Hockey

Table of hockey scores and standings for various leagues.

LANGUAGE

Tempest in a the Pot

By William Safire

WASHINGTON — As the code-breaker in Edgar Allan Poe's "The Gold Bug" taught us, the most common word in the English language is the.

Consider the recent coverage of the tragedy that befell the astronauts in one of the United States' spacecraft. The careful reader will have noted the repeated use of the phrase the space shuttle Challenger.

The first reason is that we seek to avoid "bogos titing." For example, Ralph Nader is usually named a consumer advocate: nobody elected him to that non-official post, however, and careful editors — even those who accept the stilted phrase — fashion him the consumer advocate Ralph Nader.

The second reason is that we refer to the space shuttle Challenger; if space shuttle were a title rather than a description, we would drop the the and capitalize the title, like this: Space Shuttle Challenger.

In the same way, we do not often write Norman Mailer, the writer, because that implies that we are not referring to the other Norman Mailer, the milkman; worse, it seems to say, "I am describing what Norman Mailer does, which any fool should know, but you may

not." By placing the description ahead of the name, we are less likely to offend people who know all they want to know about Norman Mailer. Changing the article from the to a — a writer, Norman Mailer — suggests that he is a journeyman scribbler and will get you vilified in his next novel.

This brings us to the real value of the: it particularizes and specifies. In this all-too-intangible and ethereal world, the is the definite article.

A bomb can be any bomb, but the bomb is the symbol of the nuclear threat. When we write of a president, we do not even capitalize, unless we mean a specific job as head of state; but when we change that to the President, it's you-know-who. When Alice Walker titled her novel "The Color Purple," I think she meant to emphasize a fascination with that specific color, which includes a variety of shades, but the title of Michael Bennett's musical "A Chorus Line" made the point that the story being told was not unique, but universal — that every musical had a chorus line.

Now we come to vague uses of the: "The Supermen: The Movie" was followed by "Santa Claus: The Movie." I am tempted to call this "On Language: The Column," but that would be wrong because the use of the by moviemakers in those instances is correct. They legitimately employ the restrictive function of the: it's not "Superman" the radio program or comic book (actually, that was originally Action Comics) and not the Santa Claus that no politician ever shot.

Now try this use of the, noted by Paul Tappan of New York City: "A phrasing that seems to me self-consciously upscale is ten dollars the serving. Am I seeing yuppies under every tablecloth? Why does ten dollars the serving sound more pretentious than ten dollars each or just ten dollars?"

It sounds pretentious because it is. The menu writer asks the maître d' what this cost, and the answer is "ten bucks a throw"; he then takes a general statement about the price of every such item in a category and unconsciously particularizes. If you are tempted to do this, think of Ruth Etting standing on stage in a 1930 Rodgers and Hart musical, her dress torn, shoes scuffed, makeup askew, changing the title of her song to "Ten Cents the Dance."

New York Times Service

Eleanor Dulles, Novelist

By Barbara Gamarekian

WASHINGTON — At 90, Eleanor Lansing Dulles, a Washington fixture who has written 14 books on economics and international affairs, is turning her hand to fiction.

Miss Dulles is polishing the final draft of a mystery novel filled with murder and intrigue, using as background some of the things she saw and experienced as an economic specialist for the State Department and as the sister of Allen W. Dulles, director of central intelligence in the Kennedy administration, and John Foster Dulles, secretary of state in the Eisenhower administration.

When it comes to elaborating on the plot of her new work, she is as adept at keeping a secret as any agent who ever worked for her brother Allen. She will say little more than that the yarn, set in the mid-1970s, begins with a murder on Duck Island, the Lake Ontario summer place of John Foster Dulles, then takes her male protagonists (from the Pentagon and Commerce Department) and heroine (an "older woman" who works at the State Department) to the United Nations, Washington, East Germany and Gettysburg, Pennsylvania.

"But there are no CIA moles," she said, trying to head off predictable speculation. "Nobody who reads my book is going to find out much about the intelligence community."

A grandmother of six who assumed her maiden name after the death of her young husband many years ago, Miss Dulles remains energetic. Besides working on her novel, she recently had lunch with the mayor of Washington and did an interview with the BBC. "And the phone is always ringing," she said. "Sometimes it's Japan, sometimes Austria. I never know who will call next."

Then there are the talks she is asked to give, the luncheons, the invitations to travel to West Germany, a country she knows intimately as a result of having headed the State Department's Berlin desk in the reconstruction after World War II. She is also working on a project to set up some lectures to memorialize her brother John, whose 100th birthday anniversary will fall in 1988.

When it comes to writing a novel, Miss Dulles can consult her own muse, for much of her life has been the stuff of fiction.

Her grandfather John W. Foster and her uncle Robert Lansing both served as secretary of state. "In our family we were imbued with the thought of public service," Miss Dulles said.

She arrived in Washington in 1901 — "the year Queen Victoria died," she noted. She spent 26 years at the State Department as an economic specialist, winning numerous accolades before retiring in 1962.

In World War I she worked with refugees on the Marne; a generation later she witnessed workers' riots in East Berlin in 1953, when Russian flags were torn down and burned. In the early 1960s she traveled to more than 40 countries in the Middle East, Asia and Africa, making studies for the State Department's Office of Intelligence and Research.

The East Germans accused her of instigating the "spy tunnel" built from Berlin's U.S. sector to tap the telephone system in East Berlin. "I didn't," she



"Real life is very bewildering."

said, "but I was involved quite a bit with those people who helped the Allies during the war."

Real life, she said, is often stranger than fiction. "Yes, I think it really is. Real life is very bewildering, and astonishing and breathtaking and unpredictable."

Miss Dulles was married in 1932 to David Simon Blondheim, a philologist, who died two years later. They had two children.

Miss Dulles has written an autobiography and "John Foster Dulles: The Last Year." A devotee of the detective stories of Dick Francis, Rex Stout and John D. MacDonald, she is pecking away at her novel on an electric typewriter in a book-lined bedroom. The main problem with writing fiction as opposed to nonfiction, she has found, is that one has to be careful about "the time schedule."

"In a nonfiction book you go to the almanac to get your dates," she said, "but in a novel you've got to remember that he went to the U. N. on a Friday and Saturday was the day he was kidnapped."

As for the "older woman" who works at the State Department in her novel, Miss Dulles did confide: "There are two very attractive men and they both want to marry her. I think some people will think it is me."

And is it? "Not really. But I'd say she was a friend of mine."

POSTCARD

British TV Facing Some Harsh Changes

By Brenda Maddox

LONDON — British television is about to be punished.

For what sin, it is hard to say. Arrogance, lack of patriotism, extravagance? Eitism, inefficiency, indecency? The answer depends upon which politician you ask.

A stranger might well think that British television was a running sore in national life, rather than one of the few endeavors for which Britain is admired the world over.

The ruling Conservatives are leading the move to disrupt the status quo. But none of the main parties really loves the television services: two BBC channels, supported by an annual television tax, or license fee, and two commercial channels, known as ITV, supported by advertisements. (One of the most telegenic politicians, Dr. David Owen, leader of the Social Democrats, grows apoplectic at the very mention of the BBC. He thinks it gives insufficient airtime to the Alliance, his party's united front with the Liberals.)

Some harsh changes may be on the way. In the next few months a committee will answer the blunt question put by Prime Minister Margaret Thatcher: Should the BBC take advertising? The committee's narrow terms of reference — pointed originally at the BBC — and its composition (it is headed by Professor Alan Peacock, a free-market economist) have made it seem as if the answer the prime minister was seeking was "yes."

Soon, too, the commercial companies within the ITV system will be required to pay tax for the first time on their exports of television programs. ITV successes, from "Jewel in the Crown" to the Benny Hill comedy show, have sold well overseas and helped subsidize program-making at home. But government officials feel that ITV has been inefficient and overly generous in its wage settlements with trade unions.

In the past few weeks a new terror has struck the hearts of broadcasters. Winston Churchill, a Conservative member of Parliament and grandson of the wartime leader, has introduced a bill requiring that everything shown on all four channels be suitable for children, regardless of the time of day. (Broadcasters now wait until 9 P. M. before showing adult films or

entertainment. No real pornography is aired.)

Mary Whitehouse, head of the National Viewers and Listeners Association, is campaigning hard for the bill. And, though it lacks official government support, Thatcher voted for it on its crucial second reading in January.

The effect of the bill would be to extend the Obscene Publications Act to cover television and radio as well as to sweep pornographic magazines off the open shelves in bookstores and newsstands. Broadcasting has been exempt from the obscenity law, on the grounds that the BBC and ITV are heavily regulated by their boards of overseers.

Not heavily enough for Churchill or many sensitive viewers. One film that caused a furor was Derek Jarman's "Sebastiane." Shown recently late at night on Channel 4, it used male nudity and strong homosexual overtones to tell the story of the early Christian martyr. The fact that the dialogue of "Sebastiane" is in Latin, with English subtitles, should have been enough to drive most children to bed, but this in no way cooled Churchill's wrath.

The film was just one example of the way in which, he believes, broadcasters have failed time and again to observe Parliament's wish that they show nothing to offend taste or decency.

Churchill has removed some of the more ludicrous provisions of his bill, but what is left is quite enough to wipe many popular feature films off the television screen, as well as to inhibit writing for television.

The bill comes just as the BBC has been congratulating itself on having demolished the pro-advertising argument. The strongest evidence has come not from the BBC itself but from commercial television and independent research. The case against advertising:

• There is not enough advertising money to support all four channels and commercial local radio as well. The BBC could not attract sufficient advertising to give it the £1 billion a year it needs. The license fee would have to remain.

• The charge that the BBC is watched only by an elite does not stick. Viewers from all sections of the public, from all social and age groups, spend 40 percent of their viewing time watching programs considered "demanding" or of interest only to a small audience.

• If the BBC and ITV were competing for advertising money, they would compete for audiences. The range of programs would narrow, as neither side could afford to make programs of interest to a mere million or so viewers.

The BBC's very success in defeating the pro-advertising lobby could intensify the resolve of the censorship crusaders. Churchill's bill and the Peacock committee on advertising are not linked, but both initiatives stem from a strong if undefined Conservative belief in Victorian values. High among these are self-reliance and decency. Some kind of censorship logic may demand that if the BBC cannot be made self-supporting, it can at least be made more conventional, along with ITV. (The BBC and ITV, tend to argue as one in the face of the common threats against their independence and financing.)

Many Conservatives have a strong feeling that they must "do something" about British television. Their desire, one suspects, grows out of the frustration of being able to do very little about deeper problems: the rise of violent crime, the alienation of the young, the bleak prospects of the uneducated, particularly blacks.

Victory, in the end, will inescapably go to market forces. In keeping with its deregulatory philosophy, the Thatcher government has opened the skies to foreign television. People in Britain may put up their own satellite dishes. Any reform that succeeds in making British television bland and boring will only encourage viewers to turn to the many new channels pouring in from the sky, unobtainable by guardians of the British airwaves.

Brenda Maddox is a London-based author and journalist.

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